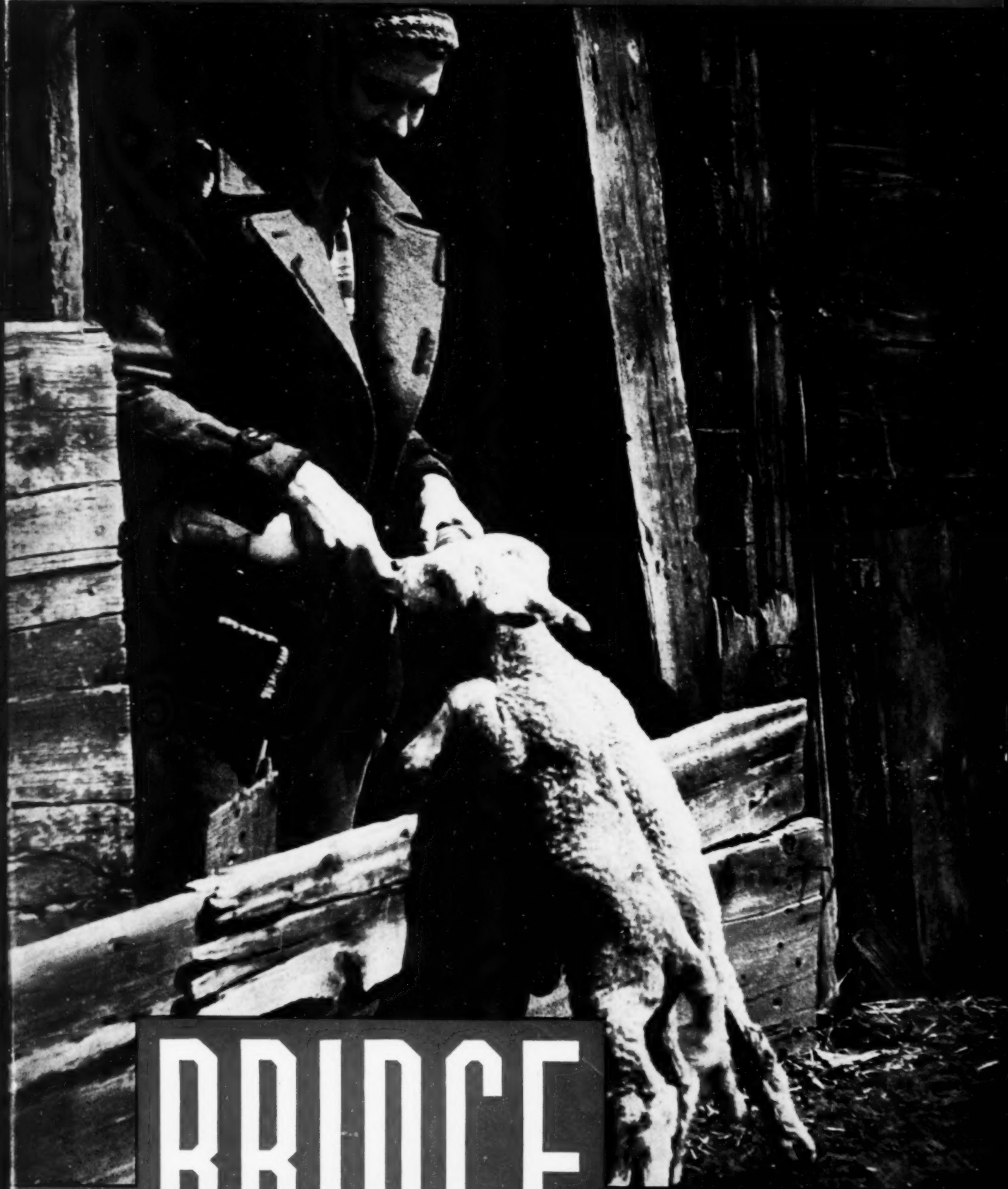


THE WAY TO ECONOMIC BETTERMENT



BRIDGE

The

LITTLE SUCKERS

MAY, 1938

. . . DID *You*
ANSWER the QUESTION-
NAIRE LAST MONTH?

If you did, thanks a million. If you didn't, we again ask you this favor. Dig out your April BRIDGE, fill in the questionnaire and mail it to The BRIDGE. Such a little thing, and yet it means a great service to The BRIDGE and to the credit union movement as well. Thanks a lot.

The BRIDGE

A Monthly MAGAZINE Devoted to
Improving the Lot of the Average of Us

Contents for MAY Vol. 3, No. 3 ROY F. BERGENGREN, EDITOR

BLIND MAN'S BLUFF	Leo S. Busby	3
WE CAPTURE KING NEPTUNE	Lorean Wilttrout	4
GOAL OF THE GOLDEN WEST	William L. Wright	6
JOHN DUBB HABERDASHES		8
HEART OF THE CREDIT UNION		9
WHAT ABOUT IT?	Thomas W. Doig	10
CREDIT UNION MOTIVATION	James W. Brown	12
CUNA MEETS AGAIN	Roy F. Bergengren	14
SELFISH MOTIVES BEHIND UNSELFISH IDEALS	Hugh G. Stout	16
FEDERAL SECTION	Otto Wilson	18
JUDGEMENT NOTES		21
FILENE MEMORIAL MEETING	Nat C. Helman	23
BETTER HOMES FOR YOUR BUDGET		26
PHOTO FORUM		28
CUNA CUBS	Ursa Major	30

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Exposed 100 seconds at f6.3

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ADVERTISING RATES ON APPLICATION

All subscriptions received before the fifth of the month start automatically with the issue of the current month; all those received after the fifth of the month start with the following month. We find that we have a large number of address changes. To insure prompt delivery of The BRIDGE, when you change your residence, please send in a post card with your former address as well as your new address. When sending in a single subscription or a group of subscriptions, The BRIDGE would appreciate it if you would mark any renewal subscription conspicuously with the word 'Renewal'.

IN THIS ISSUE

Who said cops are dumb? Read "Blind Man's Bluff" and you'll find that Big Dan McCarthy had a good head on his shoulders. Miss Wilttrout is back again taking us on an amusing trip across the equator, while William L. Wright explains the whys and wherefores of the 1939 exposition to be held out in San Francisco.

John Dubb goes Haberdashing. I mean he shops for shirts, ties and, of all things, overcoats. James W. Brown offers some more of the straightforward philosophy of the credit union for which he is rapidly becoming famous, and the Managing Director of CUNA tells the story of the recent National Board meeting in Madison.

Hugh Stout, credit union leader out in Oregon, and one of the outstanding leaders in the national movement, gives a few of his personal ideas as to what lies back of the credit union work. We want in the future to get more such articles.

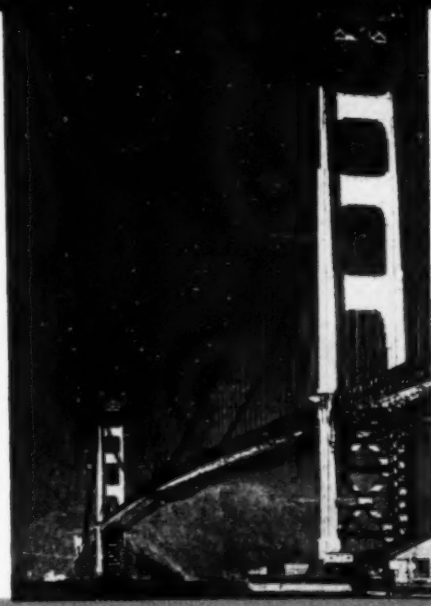
This month we officially inaugurate Better Homes for your Budget by presenting the first of a series of actual house plans. The reaction to this plan will go a long way in determining whether or not this new department will be of value to our readers.

NEXT MONTH

Next month, we shall publish a very extra special issue, an issue devoted in the main to the life and works of Edward A. Filene. The National Board, at its recent meeting, decided that a fitting memorial should be erected to Mr. Filene, that this memorial should take the form of a new structure to house the activities of CUNA, and that it shall be appropriately named Filene House.

And how shall Filene House be built? It shall be a gift from the credit union members of the United States, a gift which you will give as a token of appreciation for the great gift which Mr. Filene has given you, the gift of credit union service. Filene House has met with universal acceptance, and details for the first plans of the coming campaign will be contained in the June issue.

Editorial



Filene House by 1940

MANY TIMES it has been suggested that the National headquarters should be known as "Filene House," rather than "Raiffeisen House." The reason why we have rejected this suggestion now becomes obvious.

Elsewhere in this issue is the story of the memorable action of the Fourth National Board meeting, committing CUNA to building the Filene Memorial. The vote was unanimous and enthusiastic. It was the high spot of a thrilling meeting.

Like Raiffeisen in Germany and DesJardins in Canada, Filene was unique. It was his lot to bring cooperative credit to a nation; not only to create the machinery to make cooperative credit possible for the people of America but to live long enough to see the transfer of control to the credit unions organized in their own National Association. Not only was he our Founder but he was the first President of CUNA and a member of our Board until the day of his death. He made the CUNA Mutual Society possible; his cooperation started the CUNA Supply.

Filene was our great man. He remains our great tradition. We are proud of him and to him we are eternally grateful.

The suggestion of a Filene Memorial has met, therefore, quite naturally with enthusiastic acceptance. And there can be no question either in the mind of anyone who knew Mr. Filene intimately as to the nature of the Memorial. Mr. Filene would be greatly displeased were we to erect a monument to his memory in the usual sense. The only Memorial which would be acceptable to him would be the creation of something which would contribute day by day in eminently practical fashion to the perpetuation of those purposes to which he gave his life.

So we decided to build a permanent home for CUNA—a credit union shrine wherein would dwell and be kept forever alive those principles of service by which Edward A. Filene motivated his life. This building will be the heart of the credit union. From it will radiate those influences into our national life which will ac-

complish, day by day and year after year the great program which Filene originated.

We shall build not only a useful building—but a beautiful building, symbolic of the strength, the durability, the majestic beauty of what we are striving to create in the world.

And no one will raise any question as to our capacity to build it.

We are two million strong and every mother's son of us owes a debt of gratitude to Edward A. Filene. We are organized in forty-four State Leagues, in our three hundred and fifty chapters, in nearly seven thousand credit unions. BRIDGE readers alone—a hundred and fifteen thousand strong—could build Filene House!

It has been suggested that the building contain a great auditorium, to be called "The Hall of Donors" where our National Board will meet and that on the walls of the Great Hall there be inscribed in some permanent fashion the name of every man, woman and child who gives a dollar to the building fund. We shall need room in the Great Hall for a quarter of a million names!

And we are on our way with this project!

We have selected Claude E. Clarke, who has just completed two years of distinguished service as President of the National Association, to be President of the Filene Memorial Building Fund. We have created a committee of five to work out the plan of campaign. We have deposited in a special account which is sacred to the purposes of the Fund the checks which have come in. We shall give the June issue of the BRIDGE over entirely to a Filene Memorial and to plans and specifications and all the details.

This project will be the easiest job we have ever done within the credit union movement! We have the power. For the first time the individual credit union member has the chance to prove his personal gratitude to and his love for Mr. Filene.

We shall build Filene House and it will be the most important building in the United States—because from it will go forth the high purpose of the credit union movement.

Roy H. Bergengren



BIG DAN MCCARTHY was just a plain, every day harness bull. For nearly twenty years his thick-soled number twelves had plunk-plunked the hard pavements of Whitehall Square. With his unflinching good-nature and his tongue-tip Irish humor, he had won him-

self a large measure of popularity among the more substantial inhabitants of that hard-boiled district. But it was his unflinching courage, and his quiet capability in emergencies, that had commanded the respect, if not the admiration of its less reliable element. Headquarters records showed no major crime in Whitehall Square for many years.

One bitter cold March morning Big Dan was sipping a cup of hot coffee in Wilson's Cafe. From somewhere down the street came the punishing scream of desperate brakes. Dan listened for the crash. It did not come. He turned back to his coffee.

A minute later the door flew open. A ragged little newsboy came hurtling into the restaurant, exploding with excitement.

BLINDMAN'S BLUFF

By LEO S. BUSBY

Put brains with brawn and you have "Big Dan" McCarthy, who had sense enough to use his brains

"Come on, come on," he puffed, all out of breath. "Quick. They're killin' a guy down the street."

Big Dan grabbed his hat. He hit the sidewalk with flying feet.

At the corner of Maple and Belmont a large crowd had gathered. Dan appraised the situation with practiced eye. A big, highly-chromed roadster stood in front of Marlin's drugstore, its front wheels up on the sidewalk. Beside the car, a white faced youth argued frantically with a number of angry, threatening men. He was smartly dressed in a gray suit and a huge raccoon coat, and wore a funny little felt hat perched rakishly on his head. He seemed dazed, as though he might have been drinking.

McCarthy plowed his way through the mob to the young man's side.

"What's goin' on here?" he demanded, gruffly.

A giant of a man confronted him. "This wise guy just killed old 'Pencils,'" he cried, angrily. "The old man never knew what hit 'im."

Another voice, husky, rasping, broke in from somewhere in

the crowd. "Oughta lynch the rat, killin' a blind man!"

Other angry voices took up the cry, each freighted with its owner's personal brand of invective.

Dan threw a glance at the faces about him. On all sides flaming eyes met his, and scorching condemnation burned his ears. He could sense the mob instinct rising. There would be violence here in a moment—violence beyond control of any lone cop. The crowd was growing rapidly, dozens by the minute.

Dan swung about sharply. He would have to act quickly, boldly. He laid a heavy hand on the quaking youth. "Come on, you," he shouted, roughly. "I'm takin' you—."

But his hand was knocked aside. The big man was blocking his way.

(Continued on page 25)

ILLUSTRATED BY KARL MILROY

as told to
LOREAN WILTROUT
by
C. B. WILTROUT



We Capture

KING NEPTUNE . .



● Above—The Torture Chair at the Edge of the Pool

● Left—King Neptune and His Scribes Proclaim the Coming Ceremony of Initiation

of miles! Here is the where and the why of it.

I was enroute to Buenos Aires, South America. The ship was seven days at sea. Seven days was just long enough for everyone to become acquainted and for the indisposed to regain their sea legs. And the seventh day was most momentous for that was when the ship steamed over the equator.

Now if you are sailing south and have never before crossed that mythical line around the world, it might be well to make your will and apportion your bequests, for your doom is at hand. Whether you are the revered treasurer of your local credit union or assistant flunky at the popcorn stand, you must enter the Kingdom of Neptune. Nothing can save you from it and the only door through which you can enter is the Neptune ceremony, an initiation traditional on all passenger and freight boats crossing the equator.

There is only one condition on which you can escape the ceremony. That is the possession of a certificate showing that at some past time you have been duly initiated and made a member of Neptune's kingdom. Passengers presenting such certificates form a body to handle the ceremony.

Except for furnishing equipment, costumes, and Neptune's throne, the ship's officers and crew have no active part in the initiation.

So we were about six days out of New York Harbor and the weather was becoming very much warmer. I was lounging in my deck chair when I suddenly realized that everyone was reading a notice that had been posted. It was a written proclamation signed by King Neptune's chief scribe and it notified all passengers who did not claim membership in Neptune's kingdom to appear before the court at two-thirty on the following afternoon.

The next day came. Ten-thirty, eleven-thirty, twelve-thirty, one-thirty—then two-thirty finally rolled around. No small amount of suspense and uneasiness was evident. All passengers, the ship's crew, and the officers assembled. Down in the ship the band was playing. The King was approaching.

The Cops

First came eight husky men, the King's "cops". Wearing only shorts and daubed with paint, they appeared as hideous and formidable an aggregation of sea monsters as ever policed the sea. Then, draped with long whiskers of sea moss and weeds, came Neptune and his "queen." Following were Neptune's scribes and courtiers. The ship's band wound up the procession which circled the boat before their royal highnesses ascended the throne.

BUT I DON'T want rotten eggs and sour milk in my hair," wailed the little chorus girl.

"It isn't what you want, young lady," mocked one of King Neptune's burly cops. "It's what you're getting that counts."

She shouted, she kicked, she fought, but it was useless.

The wooden paddles flew into action, whisking the victim into line.

That was only the beginning of the strangest initiation ceremony I have ever seen, or in which I have ever taken part. No raucous college "hell" week has ever come up to it. No dreaded lodge initiation has ever surpassed it. Why, it was an initiation in the middle of the ocean with not an inch of dry land for thousands



● Left—Passengers and Crew, Already Members, Watch the Torture Gauntlet in Action

● Below—Royal Police Rushing An Unwilling Victim to the Initiation



The torture equipment flanked the throne on either side. This frightening array consisted of a huge table covered with a sheet where the paddling took place, a canvas tube fifteen feet long where the victims were thrown and the fire hose turned on them washing them out on deck, and a torture chair whose accessories were bottles of catsup, sour milk squirt guns, and eggs—good and otherwise. Even a first aid kit was handy.

Torture

Before the throne, clad in shorts and bathing suits, and wearing expressions of fear intermixed with curiosity, were sixty prospective victims. I was about tenth in line. Strutting before us in shorts and sea weeds, the gnarled chief scribe read a proclamation to the effect that "no longer may land lubbers live aboard the ship, for they must now enter the Kingdom of Neptune."

The first victim, a stout salesman from Michigan, knelt before the king. Wielding wooden paddles, the "cops" and scribes pounced upon him. He put up a good fight until a brain wave told him that the greater the fight, the harder and more vicious the whacks.

Down the torture gauntlet the King's legions whisked him while he accumulated catsup in his ears, rotten eggs in his hair, sour milk to leaven the mixture, and a high-pressure bath from the fire hose which washed him through the canvas tube and out into the swimming pool.

Next came a ten-year-old-boy. He was followed by two women. Their punishment was less severe.

Then came the first of ten vaudeville girls, all arrayed in scanty Miss America bathing suits. One little red-head wore a rubber bathing suit ill-adapted to the spanking process. The last of the show girls, a petite blonde from Buffalo, put up a genuine fight and punched the faces of two "cops" so effectively that they were forced to pass her without the usual punishment.

The boat rocked with laughter as the men fought the paddling and the women squirmed under the rotten egg smearings. One after another they whisked us through the initiation process. After about thirty victims had been prosecuted, King Neptune's "cops" scattered about below deck on a bloodhound search for victims who had not appeared when their names had been called.

The time for revolt was here. Our conspiracy went into action. One at a time we rushed the cops, kidnapped them, and locked them in sep-

Crossing the equator calls for a special ceremony, and woe be unto you who have not received certificates of membership in the royal court of old King Neptune

arate staterooms. Neptune was unaware of the fate of his liegemen.

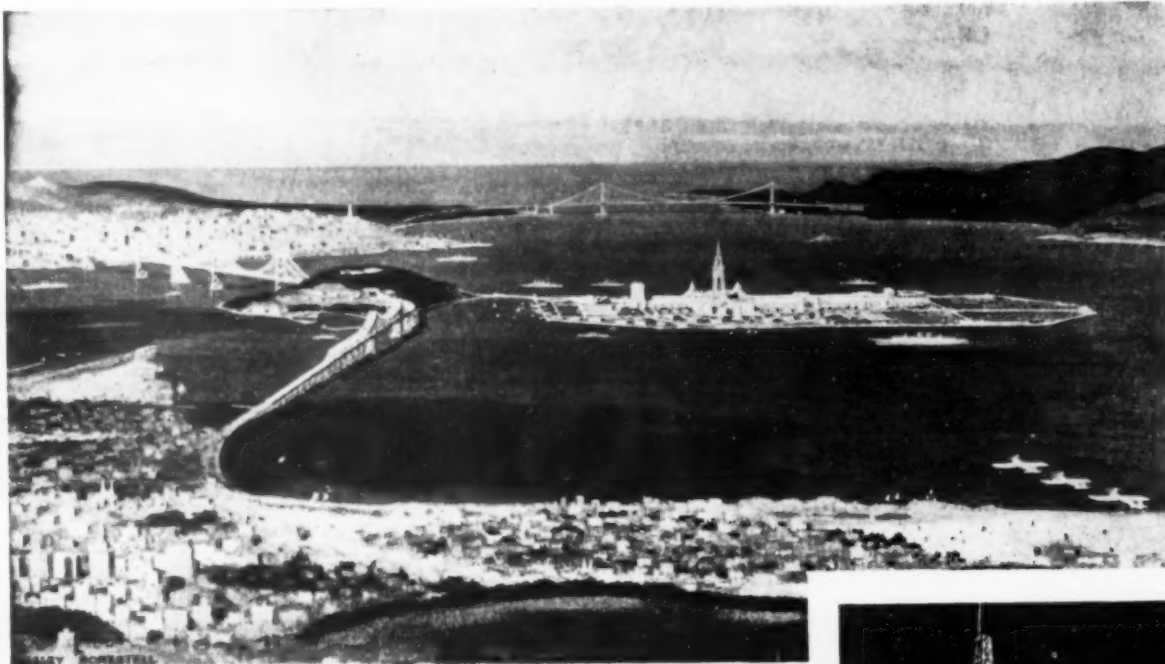
One of Neptune's retainers who was in our conspiracy coaxed Neptune's daughter into the social salon where he made her captive and locked her in a stateroom.

Then a body of eight conspirators of whom I was one marched on Neptune's throne, demanded his abdication, and called for a ransom of champagne for the crowd before the release of his daughter and the six "cops."

King Neptune was furious. Beating his hairy and weedy chest in rage, he shouted to his retainers to suppress the revolt and capture the traitors. But we were prepared for this. We rushed the throne, capturing the king and queen, and tossing them into the ship's swimming pool.

Next, seizing the fire hose and wooden paddles, we called upon all victims and intended victims to join the revolt. They were with us, and the battle that ensued gave us possession of the throne and all the torture equipment.

(Continued on page 23)



Goal of the GOLDEN WEST

Gabriel
Moulin
Photos

by
WILLIAM L. WRIGHT

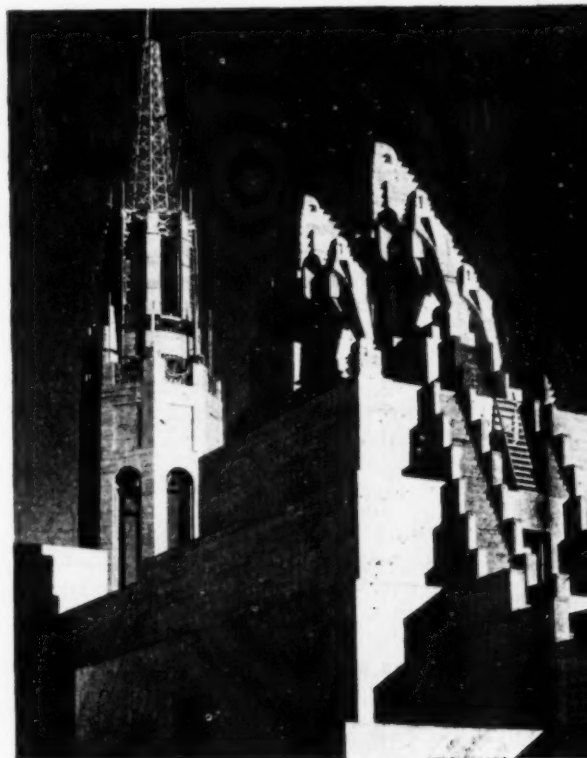
TWO ALMOST irresistible temptations confront the fellow who sits down to write, for the **BRIDGE**, a story about the Golden Gate International Exposition on Treasure Island in 1939. One is to mention in the first paragraph the two greatest bridges in the world (present company excepted, of course) that leap gloriously across San Francisco Bay, one on either side of the Western World's Fair island.

The other temptation is to mention, in the second paragraph, the ease with which a credit union member may systematically borrow the trifle of cash necessary for a visit to the "Pageant of the Pacific" in 1939—a visit that means an interesting jaunt through this western wonderland of ours, and a replenishment of the reservoir of physical health.

Both these temptations having been slapped down in no uncertain terms, there is nothing left to do but discuss the Golden Gate International Exposition. It begins, if you're driving, at that very definite point on the highway where you feel you're really "away from home," past the familiar zone of Sunday afternoon rides, and actually going somewhere.

From this exciting milestone it extends, with Sunday ride comfort and infinitely refreshing scenic variety, over several hundreds or even thousands of miles. Ten years ago, or even five, western roads weren't consistently pleasant, but smooth, hard-surfaced, dustless pavements run almost everywhere now—almost forty thousand miles of them in the eleven states westward from the Rocky Mountains.

Development of these highways has been a long, slow evolution involving the expenditure of more than a billion dollars since 1916. Most of the time and money went into such fundamentals as new alignments, grades and drainage; gravel surfac-



● Upper left—Site of the Exposition, Treasure Island, Framed by San Francisco's Two Famous Bridges

● Above—Portals of the Pacific, Main Entrance to the Exposition

ing was the rule, so Western roads long remained rough, dusty and uncomfortable. All this has changed, very recently, by reason of low-cost bituminous surfacing—hailed to the spot in trucks, it is spread while plastic, and it hardens into a solid slab of black rock pavement.

By the end of this year, 91 per cent of Western main roads will be hard-surfaced and dustless. The

west is transformed—the national parks, the forests, the snowclad peaks and trout streams and beaches are hard-won no longer. They are on boulevards now, strung out like gems on a strong silken cord, and the Western World's Fair begins where the West begins.

Proof of this is found, if you want it, in the sponsorship of the Fair itself. The eleven Western States are in harness together, instead of caterwauling jealously at one another over the back fence, building the Pageant of the Pacific on Treasure Island—February 18 to December 2, 1939. They will be found in their brotherhood in the Hall of Western States, jointly displaying the natural resources that give them their rising economic importance.

They will make some slight mention of their scenic and recreational glories, too, but the real splurge of vacationland data will center in the

Vacationland building, which is something unique in World's Fairs. It's clicking, in a big way, for it "sold out" so rapidly that its size was doubled, and it's selling out again. In this building the million square miles of the Western Wonderland will be brought under one roof, in dramatic displays of this little slice of geography or that, making it a pictorial catalog of where to go in the West and how to get there.

Transportation lines, motor manufacturers, regional promotional societies, automobile clubs and other industries allied with the "urge to be elsewhere" will cooperate in this presentation. Vacationland will express the new approach to an old theme that will lift the Western World's Fair out of the ordinary—a new approach that's typically breezy and Western. Here it is . . .

World's Fairs have always touted progress, naturally, and glorified the

gear-wheel as something beautiful. On Treasure Island there will be ample evidence of plenty of progress, but a new moral. Electricity, better and faster production, swifter and wider distribution give more leisure to everybody, for machinery has taken over the great burden of toil, and we all get our year's work done sooner.

What to do with this extra leisure? Treasure Island will point the answer—Travel! Get out and see new sights, play new games, bake the weariness out of your bones and sweep the cobwebs from your brain. Then go back and tear into the job again!

(Continued on page 24)

● Lower left—Air View of Treasure Island. Note the Highway Under Construction in the Foreground

● Below—Bridge Over Multnomah Falls, Oregon, Sample of Scenery Which Will Attract Throngs to the West Coast



Out on the West Coast, San Francisco is planning to put on a grand show in 1939. It is a race between the East and the West, and you can be assured of two real spectacles next year. Take your choice!

Photo O. C. A. Jr.

John Dubb HABERDASHES



THIS MONTH John Dubb approaches the difficult task of laying in a few more essential garments. His invariable advice, *Use Your Credit Union*, applies to such of these articles as are too expensive to come out of one week's pay—notably overcoats. In the interests of clarity, Mr. Dubb has taken up one at a time.

Shirts

The great majority of shirtings are cotton, and most of them give good wear. Oxford and broadcloth are favorites, combining looks and practicality; oxford is a little the heavier and more durable of the two. Buttons are especially valuable clues to the quality of the workmanship in a shirt; if they are cracked, chipped and of obviously second quality, it is probable that the rest of the shirt is too. The stitching is also important; the closer the stitching the better the shirt, in general. Beware of the garment with a stiff, glossy appearance; that usually means a lot of "sizing" (starch to you) put there to improve the sales appeal of a sleazy material. Incidentally, for the benefit of the Society for the Prevention of Pins in New Shirts, at least one large manufacturer is using four large, roundheaded and easily removable pins in place of the conventional eight.

What has been said of shirts is also true of pajamas, plus an additional caution to be wary of elastic belts; they have been known to lose their elasticity in the course of a few launderings. Pajamas, like shirts, usually come in broadcloth or some other cotton material. Flannelette, which is *not* flannel, but a napped cotton material, is nevertheless warm, inexpensive, and very serviceable. Flannel is a fine cloth, but expensive and occasionally liable to shrinkage. Silk is not recommended. It has no particular advantages, unless expensiveness counts as such, and it is more than likely to tear after a comparatively small number of launderings.

Neckties

Silk, of course, is the standard necktie material—woven, rep, or foulard being the commonest. The latter is good looking, but wrinkles and shows dirt more easily than the other two. Satin has a number of virtues—appearance and an ability to keep its shape—but its soft sheen comes from innumerable tiny floating threads which tend to catch on fingernails and even stiff whiskers. Wool, either alone or admixed with silk, is increasingly popular as a necktie material, for it adds a valuable resilience. Knit ties, also, have come back into a well-deserved favor; outside of a tendency to stretch, they have unbeatable wearing qualities.

In buying any silk article, it is well to know whether or not it is weighted. Weighting—usually done with various lead compounds—gives silk a weight and general appearance which looks expensive, but a weighted article is prone to disaster when dry-cleaned. The silk industry, like the woolen, is gradually arriving at a set of rules for clear and unambiguous labelling which may eventually be of great service to the consumer.

The lining is most important to the staying powers of a necktie; look at it to see if it is cut on the bias and for the little adjustable thread which holds the lining to the body of the tie—and mistrust the necktie which has a pretty silk facing so that you are unable to inspect its innards.

One last tip—a tip which ought to be unnecessary, but isn't—to those who wish to insure their neckties long life and good health. Try untying them when you take them off, instead of merely loosening the knot and slipping off over the head.

Overcoats

As with winter suits, now is the time to buy next winter's overcoat. Stores are clearing out their winter stock, and the out-of-season buyer stands a good chance of picking up a bargain if he is willing to do a little shopping. Before you balk at the extra trouble involved in a careful selection and plenty of comparison, remember that the average man wears an overcoat more than five seasons, as opposed to his wife's two. Which makes it fortunate that, at least insofar as heavy overcoats are concerned, styles change little from year to year.

For the heavy coat, there is a wide variety of sturdy and warm materials. Tweed and Melton (that heavy dark blue cloth with which sea captains face the winds on the frozen bridge) are excellent bets. The wooly, furlike materials are warm and good-looking, but the less expensive ones tend to look rather ratty after a couple of year's wear. Most of what has been said in the February BRIDGE in regard to suits applies to overcoats. Careful attention to such details as buttons, buttonholes, and the stitching of the lining will give a fairly good index to the quality of the coat's workmanship, but only the store's reputation for honesty is a defense against shoddy. It is probable, however, that this situ-

(Continued on page 19)

by
WARREN BISHOP, Jr.

HEART *of the* CREDIT UNION



DEVOTED TO THE TASK OF CLARIFYING THE CREDIT UNION

THE HEART of the credit union is sad.

It is sad because we have been making an examination of the first thousand death claims paid by the CUNA Mutual Society.

It is sad because today (April 25, 1938) we had twelve death claims and *five of the twelve were suicides!*

Just consider first these five cases—all of which came in today. The oldest of the five was thirty-six, the youngest twenty-six, the average a little under thirty.

Five of the suicides were married.

They came from five different states, as far apart as New York and California.

Three of these young men killed themselves by shooting; one jumped out of a hospital window; one died from gas poisoning.

An Analysis

We believe than an analysis which we propose to make of the first thousand deaths will show so many murders, so many suicides, so many automobile fatalities that we shall be forced to give thought to these things. This analysis will show so many men and women who have died because they have too long postponed needed operations, so many who have died of heart disease, dropping dead at their respective tasks because of a lack of care and attention, so many neglected bad colds which have ended in fatalities from pneumonia that we shall, *if we have the slightest interest in the welfare of our credit union membership*, be compelled to look at our thousand dead and ask—why?

We shall be obliged to ask—why—and we shall be obliged in common

In Mourning



decency to do whatever may be indicated as acutely necessary if we find on this analysis any single thing, however inadequate, which we can do to prolong the lives of our credit union members.

For after all is said and done the first line of defense of the average American family is the bread winner. It is only after he is dead that his insurance becomes important and his insurance, at very best, can never substitute even in minor degree for his place as family provider. The first job obviously is to keep the bread winner alive just as long as possible in order to keep the family circle unbroken and to make it possible for the family to enjoy a normal life for all of its members.

There is then a great problem involved in these deaths. At present is everything done which can and should be done within our social life to protect the members of society and to keep them well and alive and happy as long as possible? That is the important question. We know that vast strides have been made in the matter of the cure of disease. We know of the advance of science. We know of the normal addition of years to the span of human life made possible by the rapid strides in medicine and surgery.

But we are confronted with that one problem which right now is bedeviling the human race in all phases

of our economic life—distribution. I may be dying of thirst. Ten feet away there may be plenty of water. The fact that the water is there will do no good at all if I cannot reach it. There is no more noble profession among all the professions than that of medicine. There is no finer group of men within the social order than the doctors. But they suffer—as all phases of economic association suffer—from the failure to relate production to distribution.

We'll have much to say about that later. We owe that much to the first thousand dead.

In the Meantime

We've got to be more vigilant. These are rough, tough, terrible times; almost everyone is in debt; there is vast unemployment; we are going through vast changes and readjustments in our economic system. It is a time when, over and above all previous times, man is indeed his brother's keeper; when you and I must be conscious of the problem of the man and of the woman who, working by our side, is trying desperately to find the way out of economic despair.

Let's be more human. Let's take longer chances in our credit unions. Let's be a little less arithmetical; let's not overlook the soul of this thing; let's be vigilant and see to it that the credit union stands closer and closer by the sides of its members, eagerly reaching out to find out what are their problems and then as eagerly showing them the way of their solution.

For the heart of the credit union is sad!

What About It?

Readers are invited to Submit Questions on any Credit Union Problems and also to give us your frank reaction on the answers, whether you agree or disagree with the Editor.

By TOM DOIG

From Kentucky

Subject: Interest Rates

FIRST QUESTION. The following questions now confront our credit union, we ask your candid opinion, please.

Our interest rate is 6% annually, deducted in advance. We cite two examples:

	Loan	Term	Mo. Pay'ts.	Int. Cost
"A"	\$200	1 yr.	\$16.70	\$12.00
"B"	200	6 mo	16.70	6.00
"B"				
renews note	100	6 mo.	16.70	3.00
Total int. cost to "B"				\$9.00

Mr. "B" in applying for his loan states that he may be able to pay the loan in full after six months, if not he would renew the balance, this is permissible in our credit union. Is this not discrimination? To my mind, Mr. "B"'s note should have been written for one year and if paid in full at the end of six months, a refund of interest could be made. Do you think an interest rate of 1% per month on unpaid balances of loans is a fair rate and also would it not remove discrimination and cause each borrower to pay alike for his or her loan? Should a borrower repay his loan in full before the due date, interest can be refunded in two ways:

First—Refund on face of loan for unexpired term;

Second—Refund on unpaid balance of loan for unexpired term.

Which in your opinion should be used?

ANSWER. Certainly I think from the figures set forth in your letter of March 30 that there was grave discrimination by your credit union in favor of Mr. "B". When a loan is written for a period of time with monthly repayments and interest charged on a discount basis, the monthly repayments should be so arranged that the entire loan would have been repaid in equal monthly installments by date of maturity. When a loan is written for six months as in the case of Mr. "B" he should repay each month, one-sixth of the \$200 which he borrowed and no deviation should be permitted.

Ninety per cent of all the credit unions in the United States charge inter-

est at the rate of 1% per month on unpaid balances. This is a fair rate and I think it would be very wise for your credit union to adopt this rate of interest. Otherwise, as stated above, when an individual borrows \$200 for six months, that \$200 should be repaid in six equal monthly installments.

When a borrower repays a loan such as you have outlined before the due date, the best way to compute the rebate of interest to the borrower is to figure the interest cost on a basis of 1% per month on unpaid balances for the time he has had the loan, subtract this cost from the actual amount originally discounted, and refund to the borrower the difference. This is the only fair way to arrive at the amount which should be rebated.

From Florida

Subject: Trustee Accounts

SECOND QUESTION. Since I've been receiving "The BRIDGE," I've been particularly interested in all departments, and especially the "What About It?" Department. Here's a question I'll appreciate information on: Can a member of a credit union deposit money with said union that belongs to a church where said credit union member is church treasurer?

ANSWER. If a member of your credit union happens to be trustee of a certain fund or treasurer of a certain fund, he could deposit the money accumulated in that fund in a trustee account in the credit union. This would be entirely legal.

From New Jersey

Subject: Compulsory Savings

THIRD QUESTION. At the past meeting of our board of directors, a motion was made not to make any loans unless the member (chiefly a new member) had at least one share to his credit, the amount needed to buy a share to be deducted from the face of the loan and he receive a check for the balance. This caused a split of opinion when the question was raised and after due consideration, it was decided to shelve the motion until we could receive more seasoned advice. We understand there is nothing in the by-laws that says we must do it. Some of the directors felt it would serve as an incentive for greater saving if the member understood he would receive dividends. Others, of the more conservative, de-

cided it was unjust and irregular, that when a man wants to borrow fifty dollars, he wants fifty and not forty-five dollars. So, here are the facts, we have agreed to abide by a more mature opinion.

ANSWER. I have your letter of April 25. It is unusual in the credit union movement to require that a member have one share fully paid for before he is granted a loan. Such a plan is not particularly vicious if the member wishing to borrow \$50 signs a note for \$55 and the extra \$5 is placed in his share account. But it does not seem to me, either, that it is very much worth while to compel a member to save money. After all, the credit union laws and the by-laws provide that the member may withdraw from his share account whenever he desires, so that if he wished, he might withdraw \$4.75 of the \$5 which he was compelled to deposit, leaving 25c in the share account to simply retain his membership.

I think it is really best not to make any rules with regard to this matter but simply to tell each borrower that it is possible for him to borrow simply because someone else has saved and then urge him to save a little in order that other members have the same borrowing privilege.

From New York

Subject: Co-maker's Responsibility

FOURTH QUESTION. The question on which we would like your opinion is, first of all—"If a co-maker on a loan, on which we have accepted a chattel mortgage on an automobile as security, can still be held responsible, even though the chattel mortgage proves worthless, or for example due to our failure to file this mortgage at the time the loan was made, the chattel mortgage was proven worthless?" In a case where we accept a chattel mortgage and the title is not clear, could the co-signer plead that he was not aware of this fact when he signed the note, and would not have signed it had he known that there was no other security on the note? If it be the case that we cannot hold the signer responsible in cases of this kind, how can we reconcile that with the fact that the national bank examiner tells us we do not have to record every chattel mortgage which we accept as security, when we have another signer? If we follow this reasoning

through even though we do have a signer and do not record the mortgage we really have no security on the loan. We realize this is somewhat of an involved question and, of course, to be on the safe side could record every mortgage, but even then it would not necessarily answer our problem because in some cases the borrower may give a chattel mortgage in all good faith and we may later find that the original seller of the automobile has resold the conditional sale contract, which our borrower signed at the time he ordered the car. If the original seller should be dishonest and fail to remit our money to the finance company we would then be left "holding the bag."

ANSWER. The co-maker on a credit union note is really considered a joint borrower and is responsible for the full amount of the note in case the borrower fails to repay. If a credit union had a chattel mortgage securing this note and that chattel mortgage proved of no value the endorers could be held for the full amount of the note.

From Virginia

Subject: Saving by Borrowers

FIFTH QUESTION. A problem of credit union principle has arisen before us and I hope an opinion from you will be a help. "Has a member of the credit committee the privilege or duty to make a condition on granting a loan, where the circumstances of the applicant are seriously considered and such condition would be a help to the borrower?" A man wants to borrow \$100. He may have been a borrower before and paid regularly but has made no effort to buy more than the original \$5 share; or he may be making his first application and after investigating each individual circumstance, require of him to save 50c or \$1 a week in addition to his regular payment. (We have no deposits.) The treasurer says, "We can only request him and not deny him the loan if he refuses."

ANSWER. It is within the authority of the credit committee to make the conditions under which a loan is granted, and it is highly desirable to get the member who has been using only the credit side of the credit union to begin to use the thrift side. This can be done particularly through the use of life savings insurance.

From Pennsylvania

Subject: Saving by Borrowers

SIXTH QUESTION. In our credit union we compel the borrower to save a certain amount while paying off a loan even as low as 25c. The question really is, does the board of directors have the right to state how much a person must save while pay-

ing off a loan. I as treasurer say a person should pay or save one dollar. The other directors disagree. Please explain this to settle our problem.

ANSWER. We feel that it is unwise for the board of directors of a credit union to make a definite rule that every borrower must save something during the process of repaying a loan. There are cases where it is really impossible for the borrower to do more than simply pay up the outstanding indebtedness and I think this matter should be left to the discretion of the credit committee and the treasurer and should be worked out carefully, having in mind the financial position of each borrower.

Question of the Month

In the absence of Tom Doig who, as usual, is very busy in the field, the editor of the BRIDGE is undertaking both to ask and to answer the Question of the Month.

QUESTION. What is the value of the Questionnaire contained in the April issue and how can I, a BRIDGE subscriber, help the BRIDGE by making use of it?

ANSWER. To make the BRIDGE financially self supporting it is necessary that we develop a rational advertising program. This must be done very carefully as the editors of the BRIDGE have a distinct duty to the subscribers as to quality of advertising we should accept. Approaching advertisers we are confronted with the question as to the nature of our subscription list. Do our readers own automobiles and iceless refrigerators, etc? Do we intend shortly to build homes, to buy this or that? If you will hunt up your April BRIDGE and will take out of it the Questionnaire which can be taken out without injury to the issue and if you will fill it in (*without signing it*) and mail it in to us—then we will have information for our advertisers which will help us develop an advertising program.

From Texas

Subject: Collateral

SEVENTH QUESTION. Article 7, Section 7 of the Federal Credit Union By-laws, states that no loan in excess of \$50 shall be made without adequate security. What is your interpretation of this requirement? Does it mean that any loan in excess of \$50 must be fully collateralized, or is collateral necessary for only that portion of the loan which exceeds \$50? For example, if a member borrows \$50 he does not need any collateral, but should this loan be increased to \$100 must he furnish \$100 collateral or only \$50 collateral? We will appreciate your advice in this connection.

ANSWER. The Federal By-laws provide that any loan in excess of \$50 must be secured with some type of collateral. I interpret this to mean that in case of loans in excess of \$50, there must be collateral to secure the amount beyond \$50. In the case of a member who borrows \$100, there must be sufficient collateral to cover \$50 of the \$100.

From Indiana

Subject: Share Withdrawals by Borrowers

EIGHTH QUESTION. I will appreciate your advice concerning share withdrawals by members. Should a member be permitted to withdraw the entire share account and cease to be a member when a co-maker on a note? Also, should a member be permitted to withdraw from his share account and apply same as payment on a loan? If so, should members be permitted to withdraw all except one share and use the amount withdrawn from shares to make a monthly loan payment?

ANSWER. The withdrawal of shares is governed by the by-laws and by the law in the absence of any specific by-law, or vote of the board of directors, or other regulation in the matter. It seems to me that the answer to your first question depends entirely on circumstances. For example, if the loan has been paid off until the balance is less than the authorized amount of an unsecured loan, obviously a co-maker should be permitted to withdraw as his endorsement is no longer necessary. If, however, the credit committee accepted the member as an endorser determining the value of his endorsement by the fact that the endorsing member had shares in the credit union, he should not be permitted to destroy the value of his endorsement by withdrawing his shares. I think you will find that you have some rule or other in the matter to the effect that an endorser may not withdraw his shares while an actual liability exists.

If a member has a loan of \$100 and a share balance, let us say, of \$75 and desired so to do there would seem to me no reason why he should not withdraw from his shares in order to reduce the amount of his indebtedness. This, of course, we feel to be very bad practice. It is, however, much more important that the member should remain a saver. He should be encouraged not to disburse his savings account but rather to save systematically at the same time that he is paying off his loan. Here again the question raises many alternative considerations. For example, if a member is withdrawing from the credit union because he is leaving the group, it would be entirely proper to let him offset his savings in liquidation of his loan, paying up in time any balance which might remain. As a general principle, however, it is a much better practice for a member to keep his savings account intact and borrow from time to time as the need exists and not to disburse his savings.

The answer to your final question should of course be determined by whether or not the member is retaining his membership. Unless he is liquidating his entire loan, he must retain his membership and in order to retain his membership, he must keep at least a minimum of one share.

Credit Union Motivation

by

JAMES W. BROWN



IN KEEPING with the changing world, advanced thinkers are inclined to define human emotions and actions in the scientific language of the day. Such words as "integration" and "motivation" are becoming very familiar and when properly understood have a stronger and more exact meaning than many of the more abstract, vague words of former periods. We hold that the credit union movement is truly up to date and regardless of its emotional appeal, any dispassionate analysis of its activities and ideals will show it to be truly scientific.

First as to integration. From repeated expressions of appreciation and from observations all credit union leaders are aware of the strong integrating effect of the help of the credit union on the morale of its distressed members. We are also strongly familiar with the other side of the picture of the moral disintegration of workers caught in the bottomless quicksands of usury, in extreme cases even resulting in suicide and prison. This work of integration, beyond all dollar value, naturally cannot be reflected in the ledgers of the credit unions.

In regard to motivation. Right motivation plays the most important part in the success of the credit union movement. The primary motivating objective in the mind of its

American founder, Mr. Filene, was to give planned service to members in need. Any deviation from this objective or attempts to make it secondary instantly strikes a discord, as distinct as a false note in a well conducted orchestra.

There is little danger of such deviation at the time of the inception of the credit union as the high ideals caught from the enthusiastic organizer is apt to be the driving, motivating force. However, as the credit union grows in power and assets, it invariably attracts investors who see a chance for high profits, and at this time we have the beginning of a divergent viewpoint. There is only one answer. To attempt to change a credit union is to wreck it. It is not an investment house. You cannot build a strong foundation with a service motivation and build on a second story with a personal profit motivation. Thousands of organizations have attempted this very thing with disastrous results. They have started with the ideal of unselfish service, and in time, smooth promoters gained control and changed it into a thinly disguised racket. Soon the foundations disintegrate and another fine movement falls down in ruins.

Recently I heard a veteran leader in the credit union movement tell of a credit union in the United States

where the leaders are engaged in a freeze-out game in order to dissolve and divide up the assets and reserves, built up by years of unselfish labor by the pioneer members. Rather a sordid spectacle when the background of the credit union movement is considered. Such credit union leaders would make Robin Hood and Jesse James look like philanthropists. One can imagine the last half dozen survivors grouped around the directors' table, eyeing each other askance and wishing the other fellow would have some hard luck and draw out, so there would be fewer members to split the spoils.

This is a rare case in credit union history for which we can give much thanksgiving. On the other hand we know of many credit unions with a high record of consistent service to members, with assets many financial houses can view with envy, ample reserves, low losses, a steady dividend record and the appearance of going to do business at the old stand as long as the universe lasts. In fact we find so many credit unions in this class that we can now feel assured that as a sane business practice, real service to members over a period of years under the credit union set-up will bring consistent financial returns comparable to many types of investment where the service motive is decidedly absent.

A Paradox

This fact is not apt to be so apparent to newer members of the credit union. And in all truth it is a surprising, paradoxical development. The idea that you can help the other fellow and benefit yourself financially doesn't seem to make sense. The what might be called secondary share buyers (many who laughed at the visionary pioneers the first year of operation) are apt to view the credit union more as a dividend making organization. I mentioned the service motivation to a young investor and he listened im-

patiently and replied as follows: "Oh, yes, this 'help the other fellow' sentiment is all right, but after all, you know the credit union is a business and you must protect the fellow who puts his money in it. Protection of the investment and the six per cent dividend should come first. That is the reason I am investing my money here. I am tired of only receiving two per cent interest from the banks, so I changed over to our credit union. I am expecting you boys to be very careful about loaning my money to any Tom, Dick or Harry in the plant. Safety First you know."

Here is a bright, young financier, disappointed because a conservative institution would only sit on his investment and hatch out a two per cent dividend. Now he wants the credit union to be equally conservative and hatch out a dividend 200% greater! All the poor treasurer could do was to say "damn" under his breath and remember the pioneers who risked their money with no assurance of any dividends. Dividends are fine in their place and should be paid but should never become a forced issue. With proper motivation services can be given, expenses taken care of and dividends paid from what is left with exactly the same spirit if the rate is 3, 4, 5 or 6%.

Occasionally we hear this service motivation questioned from another angle. How about its application to delinquent borrowers? You must get hard boiled and use loan shark methods to make them pay. Otherwise the tough guys will give the credit union the horse laugh and spread the news around that it's an easy mark.

Even here we have to act according to our set-up and meet the situation largely with credit union methods. Finance companies have funds to hire a corps of honey toned, soft spoken "sign your name on the dotted line" persuaders and also an army of hard boiled collectors, so tough that their raucous voices rattle the windows when the terrified delinquent borrower takes down the receiver. With limited funds a credit union would have to hire a ventriloquist for treasurer. A man with a thousand voices who can be soft spoken in taking loans and drop down into a deep, growling bass when talking to delinquents. How far will the strong arm methods work in credit union collecting? If after roaring over the telephone he is coming after the furniture and the borrower is still tough what shall the treasurer do? Shall he slam down

the receiver, put up a sign that the office is closed for business, go out and break into the borrower's home and emerge with the baby's crib under one arm and the family radio under the other with the wife and child clinging to his knees? Even loan sharks try desperately to withhold information about such seizures as the accompanying notoriety is often disastrous to them and it would be more so to the credit union.

There is also another angle. Collecting on delinquent payments in these days of a recession with the borrower dead broke and desperate is not exactly what you would term a pleasant social call. I was listening the other evening to a big, husky six foot man talking to a fellow worker. He was telling how he got a letter from a loan shark that if he didn't pay in five days, the collector would

Probably the greatest single asset of the Credit Union movement is the motive which originally inspired Raiffeisen. It is, then, necessary for us who are carrying on to keep that motivation constantly in mind if we are to build an organization worthy of its earliest pioneers

be out to take his furniture and car. He stated he was just laying for that collector when he came out and that last year he got in jail for breaking the jaw of a loan shark and he figured he would just as soon go to jail again. Picture a credit union treasurer nursing a black eye and a broken jaw along with his other troubles?

Our experience so far is that delinquent borrowers are not inclined to give the credit union the horse laugh. With a wide education of the purposes of the credit union and with hundreds of grateful borrowers it is rather hard to find a sympathetic audience in gloating over cheating the credit union. No doubt at times credit unions are forced to resort to drastic methods, but it is doubtful if credit union delinquent collections would be any higher by immediate resorting to loan collection agencies than by first exhausting all the credit union methods and psychological appeal. Even hard boiled business men are beginning to see that efforts made to make the debtor want to pay the debt are worth more than efforts made to compel him to pay the debt.

Another argument we encounter is this. This service motivation might

be all right if we were handling the funds of a wealthy individual with philanthropical ideas and he gave us instructions to handle the money in that manner. But the credit unions are run under certain restrictions. We have the credit union laws passed by the state and federal government and our own by-laws. This being the case the directors and committeemen should rigidly adhere to these laws if the credit unions are operated properly.

This depends largely on whether you want to use the credit union laws as a brake or accelerator. I doubt very much if the editor of the BRIDGE spent weary hours hobnobbing with legislators to pass credit union laws that would operate as brakes. A careful reading of most credit union laws indicates that a great deal is left to the authority and responsibility of the credit committee and it is wonderful that with the exercise of shrewd judgment and thinking what marvelous feats some of these boys can do with loans and still stay within the credit union law.

I notice in reading Tom Doig's "What About It" department that there is a tendency of some supervisory committees to become critical of such methods and advocate the credit committee follow more rigid rules. With such a tendency completely followed out it would be possible to dispense with the credit committee and treasurer, too, and get a brisk, snappy type of office man to handle the combined jobs. Loans could be very quickly approved under ruling No. 1 of the board of directors and rejected under ruling No. 3. In a short time he would get so good that he could handle thirty applications an hour and go out and play golf the rest of the day. The only drawback of the plan is that the first applicant rejected under ruling No. 3 would go out of the office mumbling to himself, and the next day his grievance would go the grapevine route all over the plant and just a few such curt rejections and the treasurer could play golf all day, because he wouldn't have any applicants to check over with his rule stick.

Such rule stick methods might prevent the granting of a few bad loans, but it also would be sure to lose the credit union many good loans and in the end make less money for the credit union than with the present plan of trusting largely to the judgment and good sense of the credit committee. The words of Des-

(Continued on page 20)



CUNA MEETS AGAIN

By ROY F. BERGENGREN

WHAT WAS the high point of the Fourth Annual Meeting of the Credit Union National Association on April eighth and ninth at Madison? There would be differences of opinion as to that!

Possibly the supreme moment of the meeting came during Saturday evening when the flag was slowly drawn from the great picture of Edward A. Filene at the Memorial Service and, the audience standing, the A Capella Choir sang so beauti-

At the fourth annual meeting of the board of directors of CUNA, at Madison, history was made for the Credit Union movement in America

fully the Star Spangled Banner and, somehow, the spirit of our Founder seemed to be there, in glad reunion with the credit union leaders whom he so loved. Possibly we reached the climax when the directors present from forty-four states and the Hawaiian Islands and Nova Scotia voted in the Saturday afternoon session, unanimously and enthusiastically, to build the Filene Memorial.

For the writer of this article, who has seen the credit union movement develop in strength and majesty from very humble beginnings in two states to its present international importance, the high spot was the opening session. Looking across at the tables there, he counted seventy-six National Directors from forty-four states. Almost half of this number had never before attended a National

Board meeting. There was a delegate present for the first time representing the Credit Union League of Hawaii, who very gracefully decorated some of our leaders with the leis, pleasant symbol of the cordial

welcome always extended by this outpost of Uncle Sam in mid-Pacific to those who visit these islands of enchantment. And there was a representative present from that sturdy credit union movement which, originating in Nova Scotia, is now so



● Left — Retiring President Claude E. Clarke of Ohio

● Right — Newly Elected President P. D. Holmes of Illinois



rapidly spreading throughout Canada. There was thrill enough just in the fact that our National Board now has eighty-one members; that there is so much new leadership which has come forward during the past year; that the credit union movement is a truly national movement and that it now reaches into every state of the Union.

For those of us who have to do with the BRIDGE a high point was reached when the members of the Board reaffirmed their faith in the BRIDGE and their desire that the BRIDGE be continued as the official organ of the National Association.

For those of the CUNA staff who were in and out of the meeting the greatest satisfaction was to be found in the fact that we had the office ready for inspection although three weeks before it had been visited by a disastrous fire. Little did the members of the National Board know of the struggle that went on during those three weeks, first to get ready for the national meeting under conditions of unprecedented hardship and next to whip the office back into shape so that those who visited Raiffeisen House would be content with what they saw there.

I think Ralph Christie, who did so much of the detail work incidental to the meeting, got his greatest thrill out of the Gavel Ceremony and the Filene Memorial, both of which events in the Saturday evening program called for a vast amount of patient attention to detail. The Madison Credit Union Chapter found the Saturday evening meeting a source of great satisfaction. The members of the Chapter, a thousand strong, were there as hosts to the National Board and they worked diligently to make the Jamboree the extraordinary success that it was.

And we did some business. The difficult matter of our incorporation was thoroughly discussed through to a satisfactory conclusion. Under the able leadership of Nat Helman of the New York delegation, the problem of the distribution of Vice-Presidents, which has been bothering us ever since the Estes Park meeting, was finally concluded to everyone's satisfaction; the by-laws were amended so that our Executive Committee now consists of six Vice-Presidents instead of five, with a much more scientific distribution—together with the President, Treasurer, Clerk and Managing Director. There were other important by-law amendments which will be summarized in a later issue.

Presley D. Holmes, who has made such a fine record as president of the Illinois Credit Union League, was

elected president of the National Association. It will be recalled that a year ago, then President Claude E. Clarke, upon his renomination for a second term, proposed a resolution which was unanimously adopted, expressing it to be the will of CUNA that a president shall be limited to two terms.

Another Job

We do not say "good bye" to our out-going national president, Claude E. Clarke of Ohio. Rather we welcome him to another big job for, by unanimous vote of the National Board Claude was chosen president of the Filene Memorial Fund which starts with a five dollar check from Morris Mesny of Casper, Wyoming, mailed in even before we had our meeting and will end only as we gather to dedicate Filene House, whenever that may be. What a fine selection that was! Claude has given us years of distinguished service, beginning prior to the Estes Park meeting during the years when he was assisting us to secure the enactment of a credit union law for Ohio and putting in the Ohio foundations.

When our Founder, Edward A. Filene, refused to serve a second term Mr. Clarke was chosen president of CUNA by acclamation. During his term he has also been the mainstay of our legal department, has had much to do with the fine development of the CUNA Mutual Society, has presided over our National Board meetings and meetings of the Executive Committee with complete impartiality. He has proved a wise and sagacious leader. He has reflected always the fine spirit of the credit union movement. He has won

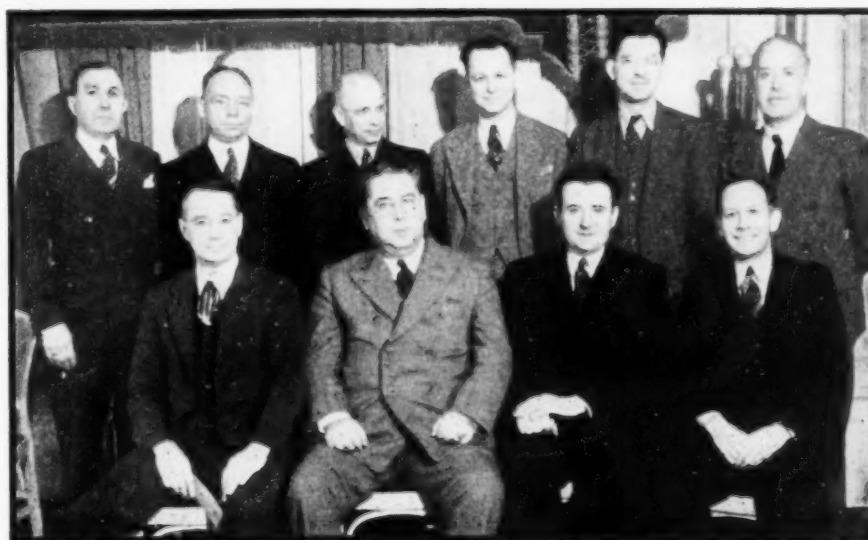
and will keep forever the love, the respect and the admiration of credit union members from Maine to California. It was, therefore, natural that he should immediately be called to the biggest job which is right now on the docket. Under his leadership we shall build Filene House by 1940.

Pres Holmes is no new figure within the national leadership. He comes to us through membership and fine service on the National Board and a distinguished credit union career, first as a credit union manager in one of the pioneer Illinois credit unions and more recently as the beloved president of the Illinois Credit Union League. He was treasurer of the Nyco Credit Union (composed of employees of the A. J. Nystrom Co. at Chicago) for ten years, assisted in the organization of the Illinois Credit Union League in 1930. In 1935, after some years of service on the Illinois Board, he became president of the Illinois League and subsequently became a vice-president of the National Association.

Strange as it may seem this loyal son of Chicago is a "down-easter," arriving in Illinois in 1923 to which state he removed from Minnesota where he had arrived from Wisconsin in 1920. He attended the University of Wisconsin and it was not unnatural that a native of Maine, born and brought up on the rock bound coast, kissed in summer and lashed in winter by the Atlantic Ocean, should have won his college letter as a swimmer. All credit to Southwest Harbor, Maine, as the birthplace of the new president of CUNA. At the fourth annual meeting we developed a gavel ceremony and Mr. Holmes' name will be prop-

(Continued on page 20)

● Teacher Credit Union Representatives at the Meeting, Left to Right Standing Are: Gudmonson of New Jersey, Howell of Michigan, Budd of Colorado, Edmonston of Texas, Stout of Oregon, Hyde of California. Seated Are: Pinkney of Missouri, Hutchins of Iowa, Moran of Connecticut and Claywell of Florida.



Selfish Motives Keystone for Success of Unselfish Ideal

Officers Are Selfish

THE CREDIT UNION to me is selfish. Selfish interest provides the impetus which attracts people to serve and the satisfaction which they derive from service enslaves them. How else can one explain any work which keeps them employed constantly seeking new avenues for expending their energy to promote an ideal which can never result in financial gain for themselves? The satisfaction which one obtains through seeing the thing in which he is interested prove successful and helpful can not be purchased with money, yet it is far more valuable and far harder to procure.

Borrowers Are Selfish

The borrower is attracted to the credit union first from purely selfish reasons. He has learned that through the use of cash provided by his fellow workers at a lower rate of interest he can save money. He has learned that in cases of illness, death, or unemployment he is dealing with his fellows who understand his situation. He finds that the primary concern of his credit union is for his own welfare.

Members Are Selfish

Every credit union member joins for some selfish reason. He may be first attracted through possible dividends. In time he will discover here a supply of information gleaned from the exchange of ideas in the credit union office. He, too, will learn that the primary concern of his credit union is his own welfare.

He is right in assuming that it is the work of the treasurer to advise in matters concerning family troubles, insurance matters, income tax, funeral expenses, investments, estates, property transfers. The hapless treasurer is the most selfish of all for he becomes everyone's confidant and is given the greatest opportunity for service. Thus he receives the richest reward.

The Public Is Selfish

The employer favors and encourages the credit union for it gives him better workmen. He knows that best results can not be obtained from one who is burdened with a load of

By HUGH G. STOUT



The author, who has played an important role in the development of CUNA, discusses his own conception of the Credit Union ideal and the philosophy behind that ideal

debt and staggering sums of interest. He knows that basically "usury" is dependent on duress. He knows that the credit union treats men on the principle that all are honest, deserving, and, with opportunity, able to stand in their own right and face their problems with the assistance and encouragement of fellow workers.

The public in general wishes to encourage the credit union because of the magnitude of the field of potential cash buyers and because the credit union leaves more earnings to be used in purchasing consumption goods, thus producing more wealth for all.

Blending of Forces Results In Successful Ideal

All these selfish forces working together give us the successful credit union based on the ideal of unselfish

service to one's fellow man. Petty grievances, political preferences, labor misunderstandings, wage disputes—all seem to become of minor importance for the time. The credit union appeals to some great basic need which draws men together regardless of race or creed. Working together here on a common ground all the strength of the opposing forces is combined on a common goal to the ultimate enrichment of each.

My Pledge

I believe in the credit union movement for what it will do for me and for those people who are my friends and associates. I wish for others to learn about the credit union in the hope that they, too, may lead a happier life. To this end I pledge my time and ability in the belief that I may enrich my own life and that of others.



"Unity Is Strength"

DISTRICT OF COLUMBIA LEAGUE NEWS

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Your League

CREDIT UNIONS are founded by groups of individuals with a common bond; your league was founded by a group of credit unions because they had a common bond. The problems of the credit unions were mutual; they have enemies from within as well as enemies from outside to consider. The enemies from their own ranks were members who had joined the credit union solely with the idea that it was a good investment (the dividend paid by most credit unions is greater than that which can be obtained by deposits in banks or by most investments); these people had to be taught that the credit union is a co-operative organization established for service for those cases where ready cash meant a saving in purchase or for emergencies that arise unforeseen. This teaching could best be carried out by meeting on a common ground and exchanging ideas and ideals. While your league could not attempt to correct individual attitudes it could by unification of purpose create and maintain this desire to furnish cooperative credit for necessary loans. This singleness of purpose coupled with the teaching of systematic saving will make the spread of the credit union movement inevitable.

The enemies of the credit unions from outside are the cold-hearted money lenders who even as Shylock extract their pound of flesh. These money lenders are not in all cases individuals operating without benefit of law, but rather are licensed to draw the lifeblood from one's salary

(Continued on page 4)

Interest Rates

SHOULD A credit union graduate its interest rate? In other words, is it proper for a credit union to charge a rate of 1% a month on loans varying in size from \$5.00 to \$300.00, and $\frac{1}{2}$ of 1 per cent a month on all larger loans.

A credit union should never have a graduated rate of interest. The rate should be the same to all members. Certainly if the interest rate is to be graduated at all it should be graduated in a way so that a man who is borrowing a smaller amount pays the least interest. Let us assume for instance that a member of the credit union who earns \$20 a week is sending his child to the hospital for an operation which costs \$100 and must borrow the \$100 and that another member who earns \$75 a week is buying an automobile and wishes to finance \$500 of the purchase price through the credit union. Certainly it would be improper to charge the \$20 a week man 1% a month and to permit the \$75 a week man to pay an interest rate of $\frac{1}{2}$ of 1% per month. If the rate were to be graduated at all the graduation should be based on the purpose of the loan rather than on its amount and any loan being made for the purpose of paying hospital, doctor or funeral bills or to furnish the necessities of life, should be made at the lower rate of interest. Credit unions are truly cooperative societies comprised of members and all members should receive the same treatment. The cost of the services which we sell should be the same to all members.

—Sacramento Credit Union Review.

Governor Myers Resigns

THE DISTRICT of Columbia Credit Union League received today with very much regret the news of the resignation of one of its most understanding friends, Dr. William I. Myers, who for the past five years has been governor of the Farm Credit Administration, under whom all of the federal credit unions of the country are operated. Governor Myers has always been willing to help the Credit Union Section with its many problems and his faith and understanding in and with them has been an inspiration to all of the credit union leaders of the District of Columbia. The following editorial taken from the Washington Post gives to Governor Myers something that I am sure that all credit unions operating under the federal act will approve.

"The impending retirement of Dr. William I. Myers, governor of the Farm Credit Administration, means the loss to public service of another efficient administrator.

"For five years Dr. Myers has occupied a post of major responsibility. He has done his work in a business-like manner, and in accordance with tested business principles. He has resolutely resisted attempts to introduce the spoils system into the organization which he heads, not hesitating to incur congressional hostility as a result. Men of his type are not so numerous in Washington that their departure can be regarded with equanimity.

(Continued on page 2)

District of Columbia Credit Union
League, Inc.

Room 606 District National Bank Building,
1406 G Street, N. W.
Telephone National 2852
WASHINGTON, D. C.

BOARD OF DIRECTORS

President—

A. W. Thomas, Thompson's Dairy

Vice President—

L. G. Bohmrich, Securities and Exchange Commission

Secretary—

C. S. Neale, Jr., Procurement Div.,
Treasury Dept.

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Company

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Credit Union Practice Committee

L. G. Van Fossen, Internal Revenue
Education and Entertainment Committee

Organization and Membership Committee

A. J. Wilding, Smithsonian Institute

Governor Myers Resigns

(Continued from page 1)

"The high rate of turnover in government employment, insofar as trained and competent officials are concerned, has been especially marked under the present administration. Perhaps the shifts and uncertainties of policy are partly responsible. At all times, however, there are numerous causes at work to bring about the separation of able men from the service.

"The lack of any effective career system, the political obstructions that interfere with the carrying out of administrative plans and policies, are factors which supplement pecuniary considerations to increase the attractiveness of private employment. As a result youthful and competent men who may be ready and glad to serve the government in times of emergency, or in the formative stages of experimental governmental undertakings, turn to other pursuits when this initial work is over.

"That is unfortunate for the people of the country, to whose service the federal government is dedicated. The maintenance of high standards of administration in government service is largely dependent upon the continued endeavors of those who occupy responsible positions. Ability and enthusiasm, to say nothing of experience, are quite as essential for the long as for the short pull."

Who's Who Among District Of Columbia Credit Unions

L. G. Van Fossen

BETTER KNOWN around the District League as "Van," passed his "Tom Sawyer" days in Montgomery County, Maryland, and attended the Montgomery County Public Schools, later attended Business High School and Temple School of Business and Secretaries, Washington, D. C., Correspondence law course with Blackstone Institute, Chicago, Illinois.

"Van" entered the government service with the treasury department in 1911 and with the exception of several years in the navy department and the navy yard at Charleston, S. C., has continued with the treasury department and for the last twenty years has been in the internal revenue branch thereof.

In addition to being chairman of committee on credit union practice and procedure and contributing to the column on "Provident and Productive Thoughts," he is always ready to help with any troubles that any credit union may be in and will give them the best assistance he can. His own credit union is an example



of the vast service that can be rendered by credit unions to the members it serves, being treasurer-manager of the Internal Revenue Federal Credit Union since its organization in March, 1935, it now having a membership of over 2,800 and assets in excess of a quarter of a million dollars.

Federal Savings And Loan Associations

FEDERAL CREDIT UNIONS may now invest their funds in the share accounts of Federal Savings and Loan Associations. There are three of the Federal Savings and Loan Associations in the area of the District of Columbia, as follows:

First Federal Savings and Loan, of Alexandria, Va.

First Federal Savings and Loan, of Arlington, Va.

First Federal Savings and Loan, of Washington, D. C.

The First Federal Savings and Loan Association of Washington is located at 710-13th Street, N.W., and has been in operation only three months, having been the old Fidelity Building and Loan Association. The amount of dividend that will be paid on share savings has not as yet been determined.

Any further information regarding Federal Savings and Loan Asso-

ciations may be obtained from the league office, as it has copies of the balance sheets of each of the local savings and loan associations, as well as those from various other sections of the country.

U. S. Trade Hurt By War

NEW YORK—In the nine months since the Japanese invasion of China began the United States has lost approximately \$40,000,000 in trade with North China, according to a report by Labor's Committee for Civilian Relief in China. January, 1938, exports to China declined 42 per cent and imports 39 per cent from January, 1937.

PLEASE PAY YOUR
DUES PROMPTLY.
IT WILL HELP THE
LEAGUE TO HELP YOU!

KEYSTONE STATE NEWS

Official Publication of the

PENNSYLVANIA CREDIT UNION LEAGUE

H. H. HOOK, President

JULIA D. CONNOR, Managing Director

I. W. KREIDER, Vice-President

FRANK TOKAY, Treasurer

M. A. POTTIGER, Secretary

DIRECTORS

Edited by

JULIA D. CONNOR

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312 Kline Bldg.
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Volume II

May, 1938

Number 1

Third Annual League Meeting

HARRISBURG credit unions will play host, on June 4, to the third annual conference of the Pennsylvania Credit Union League, which will be held in the Capitol City on that date.

Headed by Mr. Fred C. Burris, treasurer of the Harrisburg Teachers Federal Credit Union, the conference committee has arranged a fast-moving program packed with good things for credit union folks.

Among distinguished folks who will greet the members are Mr. Roy F. Bergengren, managing director of the Credit Union National Association; Mr. Tom Doig, head of the contact and organization department of CUNA; Mr. C. R. Orchard and Mr. Milton Rygh, director and assistant director, respectively, of the Federal Credit Union Section.

A highlight of the day will be the credit union dinner, which will afford opportunity for relaxation, and which promises some unusual features. Be sure to make your reservation for this dinner. Each credit union treasurer will be asked to make reservations for the members of his credit union, so please contact your treasurer early, and have him send your name on the reservation card.

Each year the strength and importance of the credit union movement becomes more apparent. The movement is headed for bigger and better things, and every credit union member, no matter where located, is a part of this important movement. Come and hear your national direc-

(Continued on page 2)



Introducing Our Vice President

MEET THE vice president from Pennsylvania. Mr. William Warren Pratt (Bill to his friends), of Pennsylvania, was one of six vice presidents elected by the delegates at the annual meeting of the Credit Union National Association, in February. For the purpose of determining the selection of vice president, the country is divided into six sections, i.e., Northeast, Eastern, Mid-West, Central, Southern, Western. With Delaware, District of Columbia, Maryland, Ohio, New Jersey, Virginia and West Virginia in the

Eastern Section, and opposing candidates from Ohio and the District of Columbia, it was no small victory for Pennsylvania when Bill was elected by a large majority.

For Pennsylvania credit union folks who have not had the pleasure of meeting Bill, we give you here his "obituary" as Bill calls it:

The date Bill entered this world is not important and he wouldn't give it to us, but we suspect it was along about the early 1900's. But life began when he entered the credit union movement. At that time and since he has been chief clerk of the transportation department, E. I. DuPont de Nemours & Co., Philadelphia. In 1936 he became clerk of the DuPont-Grasselli Employees Federal Credit Union, and so well has he performed his duties that he has been continued in that post ever since.

Having performed his duties so well in his own credit union, Bill was elected secretary of the Philadelphia Chapter of Credit Unions upon organization of that unit, in April, 1936, in which office he has continued, and to which he has just been re-elected for the second time.

Since 1937, a director of the Pennsylvania Credit Union League; since April 1937 a director of Credit Union National Association; member of supervisory committee of the Philadelphia Chapter Federal Credit Unions; elected vice president CUNA, at Madison, April, 1938. A record of service and faithfulness which should carry assurance to the credit union folks in Pennsylvania, and the entire Eastern District, that their interests are in good hands.

Congratulations, Pennsylvania! And congratulations, Bill Pratt!

Third Annual Meeting

(Continued from page 1)

tors report on the meeting of the Credit Union National Association, which was held in Madison, in February. Learn what steps were taken to protect your credit union, and to bring greater service to you. Feel the pulse of the credit union movement, and get the thrill of knowing that you are helping to bring credit union service to more and more of the 900,000 workers in the state of Pennsylvania who do not now enjoy credit union service.

If you plan to stay overnight in Harrisburg, we urge you to make your reservations in advance. Or, the managing director will be glad to make your hotel reservations, if you will specify what type of room you want, and the maximum rate you wish to pay. Harrisburg has good hotels, headed by the Penn Harris and the Harrisburgher.

For the ladies who want to combine shopping with this trip, Harrisburg is noted for its up-to-date shops. And, while we invite no competition with our league conference, there are plenty of good movies. And there are always the Capitol and other public buildings, which are worth a trip to Harrisburg at any time. Bring the whole family, and make this a vacation week-end.

Growth Of League Indicates Interest

PLANTED in the rich soil of Pennsylvania, the Pennsylvania Credit Union League continues to progress. This month we add the names of eight credit unions which indicates that the members of these credit unions have learned that through co-operation all along the line they can obtain greater benefits than by standing alone. The league welcomes to membership the following:

A. C. of A. Pittsburgh Office Employees F. C. U., Pittsburgh.

City Guardian Federal Credit Union, Philadelphia.

St. Nicholas Federal Credit Union, Wilkes Barre.

Penn. R. R. Conemaugh Division Employees F. C. U., Conemaugh.

Hotel Bethlehem Employees F. C. U., Bethlehem.

Girard Federal Credit Union, Philadelphia.

N. & H. Federal Credit Union, Reading.

Westinghouse Factory Service Maintenance Employees F. C. U., Pittsburgh.

Annual Meeting

DATE: June 4;
DAY: Saturday;
PLACE: Harrisburg;
HEADQUARTERS: Penn Harris Hotel;
TIME: 2:30 P. M. (E.S.T.)

Attention Presidents!

IF YOU HAVE not sent in the names of your delegates to the annual meeting, please do so NOW. Only duly accredited delegates will be permitted to vote. Below is quoted the section of the state league by-laws which refers to that subject:

"Sec. 4, Article III. Each member credit union of this league shall be entitled to two voting delegates at all meetings and two alternates who shall be designated by said member credit union at its annual meeting and shall serve until the next annual meeting of said member credit union thereafter. The managing director of this league shall be notified of the names and addresses of the delegates and the alternates so elected within ten days of their election."

New Credit Unions

NINE CREDIT UNIONS were chartered in Pennsylvania during the month of April, seven under federal law, and two under state. Of special interest is the fact that every section of the state was represented in this development. We take this occasion to say to these new credit unions, Congratulations! And, we want to help you in every way to make your credit union a success. If there is any information you desire, write the office of the Pennsylvania Credit Union League, 312 Kline Building, Harrisburg, Pa. The newly chartered credit unions are:

Neighborhood Center Federal Credit Union, Philadelphia.

United Societies Federal Credit Union, McKeesport.

Bessemer Federal Credit Union, Pittsburgh.

Warbaco Federal Credit Union, Warren.

Butter Krust Credit Union, Bradford.

McCrary-Rodgers Employees Credit Union, Pittsburgh.

Norristown Federal Employees Federal Credit Union, Norristown.

Carnegie Illinois Steel General Office Employees Federal Credit Union, Pittsburgh.

Penn-Wilco Federal Credit Union, Wilkes Barre.

Beware Of Wage Assignments

This article, by Samuel J. Gurbarg, is written as a result of repeated requests for legislation on this subject. Mr. Gurbarg, a member of the Philadelphia Bar, is president of the Germantown Cooperative Assn. Federal Credit Union, and of the Philadelphia Chapter Federal Credit Union, and is also a member of the board of the Pennsylvania Credit Union League.—Editor

IT NEVER FAILS. Whenever repayments slow up, or defaults multiply more than usual, some zealous credit union official becomes deeply worried. Thus mentally disturbed he gropes for some way to prevent defaults on loans. Soon thereafter he brings the results of his fear before the chapter. With sincerity and with passion he urges the chapter to work for a law to protect credit unions from loss; he urges the enactment of a Wage Assignment Law.

He wants a law to compel employers, regardless of their will, to deduct a part of an employee's wages for the benefit of his credit union, when so ordered by the employee. In addition to co-maker, and endorser, and other collateral security, he wants another device to safeguard his credit union against loss. At least, as long as the member is employed, he believes a law compelling wage deductions will eliminate defaults. In effect, he seeks to guarantee payments during the continuance of the borrowing member's employment.

The Member

A Wage Assignment Law in Pennsylvania may safeguard credit unions, but it may also create havoc for the members of credit unions. While saving the credit union, the law may destroy the wage earner, the source of credit union membership. We, of course, are not talking about a voluntary wage assignment. Where an employer voluntarily accepts the request of his employee to deduct a part of his wages, there is no objection. Where, however, an employee demands that an employer, regardless of his will, make such partial deduction, there is objection. The Supreme Court of Pennsylvania has so declared as far back as 1874.(1)

Once the employer has voluntarily accepted the partial assignment of his employee's wages, failure to honor it will render the employer liable for the amount assigned. Partial assignments of wages to be earned in the future, being the only kind that are valid in Pennsylvania, an em-

(Continued on page 4)



Ohio League Clarion

Official Publication of the Ohio Credit Union League

HAROLD H. SCHROEDER, *President* LOUISE MCCARREN, *Managing Director*
G. H. MITCHELL, *Vice-President* C. W. BURGER, *Treasurer* W. M. HUNTZINGER, *Secretary*

Edited by
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at the League Office, 519 Main St., Cincinnati, Ohio.

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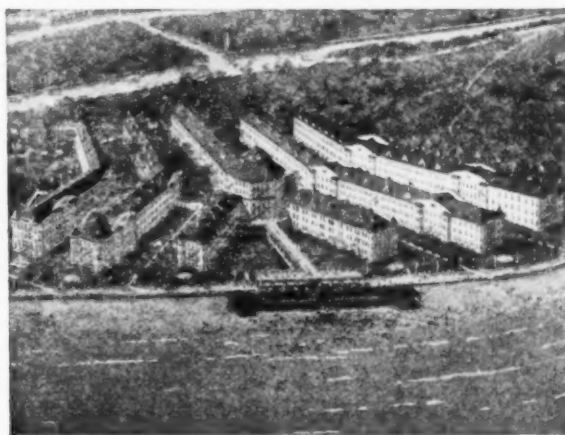
Volume II

May, 1938

Number 2

Fourth Annual Meeting of the Ohio Credit Union League

The Greatest Credit Union Meeting Ever Held In Ohio Convenes
On June Eleventh At Cedar Point



Air View of The Breakers Hotel

THE FOURTH annual meeting of the Ohio Credit Union League will be held on June 11 and 12 at Cedar Point on Lake Erie. The Breakers Hotel will be the headquarters for the meeting. The hotel has 1,000 rooms, and can accommodate the crowd nicely. We guarantee that there will be adequate accommodations, and you will not be forced to look for lodging outside the hotel as was the case last year.

Good Food

You will enjoy the meals as this hotel is famous for its excellent food. Three meals, including Saturday luncheon, Saturday evening banquet, and Sunday morning breakfast and a room without bath will cost \$3.50 per person. If you prefer a room with bath the cost will be \$4.50. Both prices are quoted on double occupancy of rooms.

There is a beautiful white sand beach and everyone will have an opportunity to take a swim before dinner Saturday night. You can also have that "before breakfast dip" on Sunday morning. If you enjoy tennis—bring your racquet—if it is horseback riding, you can do that too.

ner Saturday night. You can also have that "before breakfast dip" on Sunday morning. If you enjoy tennis—bring your racquet—if it is horseback riding, you can do that too.

Dance

There will be dancing to a well known popular orchestra Saturday night after the business session for which there is no extra charge.

The dinner and dance is INFORMAL. No fancy clothes required.

Those persons who are going to the convention by automobile can drive to Sandusky and take the boat across. The boat leaves from Sandusky every few minutes. You may also go in over the toll bridge which is east of Sandusky. Those people coming from the eastern part of the state need not go into Sandusky. The toll road going out to Cedar Point is located about 5 miles east of Sandusky. Watch for the signs.

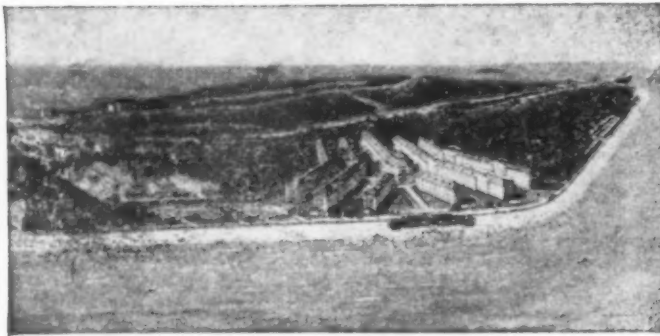
You should make sure that the

league has received the names of your voting delegates prior to the meeting. If the league office can have this information a few days in advance of the meeting it will save much confusion at the meeting. The badges of the voting delegates will be made up in advance and their credentials checked so that there will be no question about the right to vote at the meeting.

Reservations

Reservations should be sent to the league office. Do not hold your list until you are sure that you have all of the names included from your credit union. Send in those you are sure of now, and add to them as plans are made by additional members to attend the meeting.

The committee has been working for weeks and nothing has been spared to make this a meeting which no credit union can afford to miss. If you have not already planned to go, do so at once!



•
Miniature
Birdseye
of
Cedar Point,
Ohio
•

Program of the Annual Meeting

SATURDAY

- Registration
12:30—Luncheon
Speakers—Mr. Dan T. Moore, Chief
of Division of Securities
Mr. Claude R. Orchard, Director Federal
Credit Union Section
2:00 to 4:30—Business Session
Call to order and establishment of
quorum
Reading of Minutes of last meeting
Richard Dauzenroth
Report of President H. H. Schroeder
Report of Treasurer C. W. Burger
Report of Managing Director
Louise McCarren
Report of Supply Department
Robert Platter
Presentation of Budget
Louise McCarren
Presentation of Proposed Amend-
ments
Harry F. Shaefer
Report of Nomination Committee
John Locke, Chairman
Nominations from the floor
Elections
All other matters
Adjournment
5:00—Meeting of new board for purpose
of electing officers

RECREATION

- 6:30—Banquet
C. G. Hyland, Treasurer Credit Un-
ion National Association, Principal
Speaker

8:30—till—

DANCING

SUNDAY

- 9:30—10:30—State Chartered Credit
Union Clinic
Discussion led by H. F. Shifflette, Ad-
ministrator of Ohio Credit Union
Law
9:30—10:30—Federal Chartered Credit
Union Clinic
Discussion led by Claude R. Orchard,
Director Federal Credit Union Sec-
tion
10:30—11:30—CUNA MUTUAL SO-
CIETY (Borrowers Protection Insur-
ance and Life Savings Agreements)
Chairman—A. J. Steinmueller
Discussion led by C. G. Hyland
10:30—11:30—Policies of Credit Com-
mittee
Chairman—E. K. Augustus
Discussion leader—John Withrow
10:30—11:30—The Work of the Audit-
ing Committee
Chairman L. R. Rydman
Discussion leader James Larva
11:30—12:30—Chapter Programs
Chairman Pat Collins
Discussion leader—E. C. Kimball
11:30—12:30—Credit Union Organiza-
tion Procedure Discussion
Leader to be announced

Convention Committee

General Chairman

G. H. Mitchell, Swift Cleveland Empl.
Credit Union

Reception Committee

Ray Juergens, Pres. Cleveland Chap-
ter Cba
V. L. Riley, Sec'y, Summitt Co. Chap-
ter
Pat Collins, Pres. Mahoning Valley
Chapter
K. D. Haines, Pres. Miami Valley
Chapter
John Withrow, Pres. Cincinnati
Chapter
S. J. Schechter, Pres. Columbus Chap-
ter
A. E. Fryer, Pres. Toledo Chapter

Nominating Committee

John Locke, Chairman; Roy Harp-
ster, J. D. Horsfall, Al Halferty, A. J.
Hepp, E. C. Kimball, L. R. Wolwerton

Registration Committee

R. Guy Echols, Chairman

A Last Minute Word From The Convention Chairman

Dear Editor:

May I tell all of our Ohio credit
union members through the pages of
the Clarion about the annual credit
union convention?

I want to make sure that every
person in Ohio who is interested in
the credit union movement, either as
a member, a friend or a part of the
family of a credit union member,
understands that he is going to miss
something if he does not attend this
convention. I want to urge them all
to join the many hundreds of Ohio
credit union people who intend mak-
ing this meeting the most outstand-
ing in the history of the league. Res-
ervations are coming in fast and res-
ervations can still be made by writ-
ing to Miss Louise McCarren, Ohio
Credit Union League, 519 Main St.,
Cincinnati, Ohio.

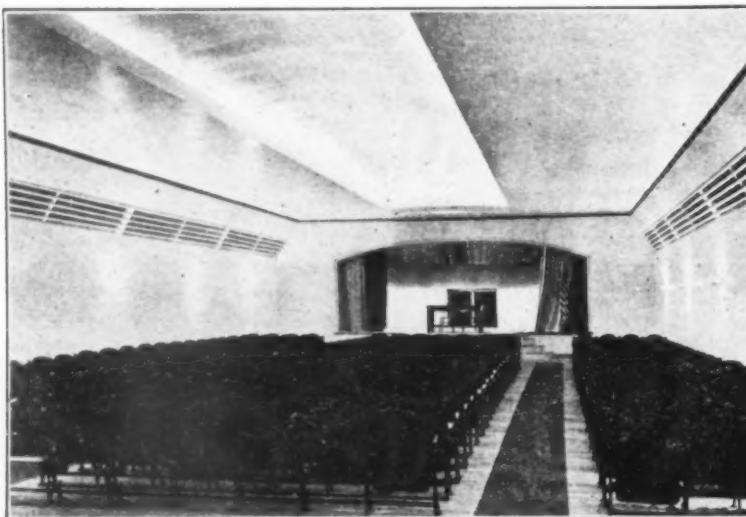
This years speeches will be the
best, accomodations will be ideal, and
the cost is very low—\$3.50 per per-
son for room and three meals. The
meeting will begin at noon on Sat-
urday, June 11, and will close at noon
on Sunday, June 12. The twenty-
four hours will be very busy ones,
filled with valuable information, good
fellowship, and entertainment.

We want every one to realize that
this is his or her league, and he or
she has the responsibility of man-
aging its affairs by being present
and taking part in the annual meet-
ing.

I am looking forward to meeting
many, many (at least 1,000) credit
union people on June 11.

Sincerely,

G. H. "Mitch" Mitchell,
Convention Comm. Chrm.



The New Convention Hall of the Hotel

IOWA STATE LEAGUE NEWS



ISSUED BY THE IOWA CREDIT UNION LEAGUE

Volume II (IV)

May, 1938

Number 1 (11)

A City of Beautiful Homes, Trees and Parks

COMING BACK again from the west coast of the state to the east coast as it were, from the swiftly flowing, muddy Missouri to the stately and majestic Mississippi we give you the tenth city on our list of credit union centers—Clinton—a city of beautiful homes, trees and parks.

The men who pioneered Clinton were far-sighted. They planned a city outstanding in its beauty by providing wide, straight streets lined with beautiful shade trees. The homes of Clinton reflect the general attitude of its people, 75% of them being owned by their tenants. Beautiful parks and drives were planned and today our citizens and their visitors enjoy these blessings.

Clinton's men of today are building a recreation center. They have provided over 300 acres of parks, containing a \$90,000 swimming pool, tennis courts, baseball diamonds, lighted football fields, stadia and playgrounds. Two golf courses provide ample facilities for devotees of that sport. The beautiful illuminated Lubbers Memorial Fountain in River Front Park attracts thousands.

A Few Facts and Figures About Clinton

Clinton has a population of 26,065. It has a trading area population of 85,000.

It is the junction of the Lincoln Highway (coast-to-coast) and the Mississippi River Scenic Highway (Canada to the Gulf).

Following are some of Clinton's most important manufactured products: stock feed, millwork, engines, bridges, locks, bed springs, fly swat-

ters, candy, furniture, tools, corn syrup, starches, corn oil, wire specialties, beer, wire cloth, harness, garments, castings, dairy products, bakers' racks.

Its banks have combined deposits of nearly \$10,000,000.

It has 78 industries with a total payroll of nearly \$9,000,000.

It has five hotels with a total of 383 rooms.

Clinton is an important railroad center, being served by the C. & N. W. Ry., C. B. & Q. Ry., C. M. St. P. & P. Ry., C. R. I. & P. Ry., and the C. D. & M. Electric Ry.

It is an important grain center and its own industries grind over 30,000 bushels of grain daily.

Clinton is a prominent millwork and furniture manufacturing center.

The Questionnaire

If you did not fill out the Questionnaire which was included in the April issue of *The BRIDGE*, do so right now. As has been explained to you it is absolutely necessary to have the information asked for in the Questionnaire at National Headquarters so that our Advertising Agency may have it to work on in contacting national advertisers.

If you want more blanks, we will be glad to see that you are supplied at once.

We also want your credit union to consider the proposition of subscribing to *The BRIDGE*—100%. In such case the price of each subscription is forty cents per subscription for 1 year—12 issues.

Be sure to take care of the Questionnaire at once.

Churches

There are twenty-nine churches in Clinton, representing every principal denomination . . . outstanding in their architectural beauty and splendid attendance.

Stadium

Clinton's new stadium provides for night baseball, football and other recreational activities.

Golf Courses

Two well-kept golf courses within the city's gates provide golf enthusiasts unmeasured enjoyment.

Stores

Stores and shops in abundance vie with each other in smart show windows and ample, well-kept stocks.

Theatres

Five modern theatres provide theatre-goers with the finest first run film entertainment.

Educational Advantages

Twenty-three grade schools, three high schools and two private girls' schools rank Clinton among the foremost in educational facilities for cities of its size.

Clinton—A Recreational Center

Clinton has been termed the "Recreation Center" because it provides year-round recreation facilities.

As a member of the Three-I league which is conveniently situated in the new stadium it attracts many fans from the surrounding area. In the cooler months it amply provides track, football, skating and basketball.

If you are interested in hunting, fishing, boating, camping—then you will be interested in Clinton.

Nature has supplied here with the beautiful Mississippi river with her abounding bluffs, woods and sloughs—Clinton leaders have made them more accessible for sportsmen.

Facts About Clinton County

37 inches of rainfall annually has always been so distributed that Clinton County has never known a total crop failure.

91% of the land in Clinton County is tillable.

Clinton County raises five million bushels of corn annually.

The corn yield has average 43.5 bushels per acre during the last ten years.

Clinton County leads the country in quality beef on the Chicago market.

Clinton County sends 175,000 hogs to market each year.

Historical Facts About Clinton and Its Surroundings

"Buffalo Bill" (William Cody) was reared a short distance south of Clinton. Clinton was the childhood home of Lillian Russell, prominent actress of the "Gay Nineties."

The "Underground Railway" of Civil War days maintained a station in what is now known as the "Old Stone House" in Clinton.

Elijah Buell was the first settler in 1835. In 1838 Joseph M. Bartlett laid out a town where now stands the city of Clinton and named it New York. The town was replatted in 1855 and named Clinton after Governor DeWitt Clinton of New York.

The first saw-mill was built in 1856. The first bank was established in 1857.

At noon, January 19, 1860, the first train made its passage over the bridge at Clinton.

Saw-mills lined the Mississippi river at Clinton for many years and Clinton was at one time reputed to have the largest saw-mill in the world and was one of the greatest saw-mill centers. Many of these plants are now occupied by other industries.

Clinton with but five credit unions takes its place as the tenth credit union city in the state.

The following groups have been progressing all the time and we are glad to give them credit: B. of R. C. No. 422, Clinco Credit Union, Postal Employees, Swift's Employees and the Curtis Employees Credit Union. Plenty of chances for growth in Clinton—let's do some expanding of the credit union movement there soon.

Mrs. Sweetly: "Are you going to join the Parent-Teacher Association?"

Miss Minerva: "No, I'm not a teacher and no one has invited me to be a parent."

P. D. Holmes Elected President of Credit Union National Association

WIDESPREAD satisfaction and pleasure comes to us over the election of Presley D. Holmes to the presidency of the Credit Union National Association at the annual meeting in Madison on April 8 and 9.

Although coming as a surprise to many credit union leaders it has been known for several weeks he has been regarded favorably for the high office.

Pres succeeds Claude Clarke, Cleveland attorney, who has worked quietly but nevertheless effectively at the job.

Election of Mr. Holmes as president, introduces no stranger to the office. He has closely followed the development of the national organization from its very inception. After the establishment of the headquarters in Madison he spent much time there in gratuitously setting up the accounting system now in use, and through his office both as president of the state league and direction of the national has been tireless in his efforts to build up the National Association.

This honor follows closely his reelection for the third year as president of the state league. His close friends wonder how he is going to be able to attend to his heavy personal business program, and if he succeeds in this how he is going to find much time with his family.

We in Iowa congratulate Pres. and our sister state of Illinois!

* * *

We also want to extend our congratulations and welcome to John Kelly of the Champaign Postal Employees Credit Union, who was recently made assistant managing director of the Illinois Credit Union League. Again, congratulations to you, John.

Plan Your Savings

IT IS IMPOSSIBLE to save without planning. Planning means sitting down and figuring with pencil and paper just how much you can pay for every item you buy. And what is more important, it means figuring out just what items you can and what you cannot buy. It means knowing definitely whether or not you can afford a new car, a rug or coat or probably an ice-cream soda. It implies a knowledge of simple arithmetic and the courage to stick by your own figures. Two plus two equals four, and no amount of juggling of figures can change this. If

your monthly income is \$100 and your monthly expenditures are \$101, you are on the road to financial ruin, as well as facing the impairment of your physical and mental well-being.

The reason so many people fail in their budget making is largely because they have the wrong idea about savings. Many have the best intentions in the world and will promise themselves to start saving the minute their immediate needs are satisfied. It goes without saying that they always have needs and the years slip by without any definite savings program. The percentage of income the individual or family intend to save should be decided on when the budget is being planned and should be strictly adhered to. Savings, as previously stated, may take different forms, but a distinction should be kept in mind between savings and hoarding.

Money should not be hoarded either in the sugar bowl or in a tin box. It should be placed somewhere where it is in circulation and where it will be earning more money. Credit union members have one of the finest mediums in the world to place their savings, right in their own credit union. This is a privilege of which many, who are not credit union members, would be only too glad to avail themselves if they had the opportunity. Start your savings program today, and get started on the road to economic security.

The First Credit Union of Iowa

FOR THE PAST three or four months The First Credit Union of Iowa has been carrying a sizeable cash balance but as has happened before that balance has all been put to work and we are now inviting you to send us some of your idle money so that we may be able to keep up with the loan demands now coming in.

The process of becoming a member of the First Credit Union of Iowa is very simple—write us for details—we will be glad to tell you all about the workings of this credit union.

Address your letters to R. O. Blakely, treasurer, or to your managing director, 523 Securities Bldg., Des Moines, Iowa. We will be glad to hear from you.

The Industrious Bee

MADISON, Wis.—To make one pound of honey requires 80,000 bees collecting four pounds of nectar from flowers, according to the American Honey Institute.

TEXAS CREDIT UNION LEAGUE NEWS

Published by the Texas Credit Union League

V. S. JUDSON, *President*

R. L. CONROD, *Editor*

G. W. ELDER, *Managing Director*
122 Federal Building
Houston, Texas

Volume I

May, 1938

Number 3

The Secretary Goes to Madison

AS I STEPPED into the lobby of the Hotel Loraine Thursday night, April 7th, Cliff Skorstad yelled across the room, "Hi there, TEXAS" and proceeded to introduce me to other Credit Union people who were already on the scene, and from the way he bragged about our state to the others, you would have supposed he was a native Texan.

While travelling from Chicago to Madison, I casually asked a gentleman if he was to attend some sort of a meeting in Madison. He replied that he was on his way to attend the CUNA annual meeting of the Board of Directors and that his name was Dodd, from Denver, Colorado. I introduced myself and in turn met Mrs. Dodd and likewise Mr. and Mrs. Budd also of Denver. We began talking about Credit Unions in our respective states and were joined by Mr. Pratt of St. Louis. A short while later another gentleman addressed me and said, "I noticed you were looking at a copy of BRIDGE a moment ago; I am J. E. West, advertising manager for BRIDGE." We then discussed the future of BRIDGE until we arrived in Madison.

Getting Acquainted

That evening was spent getting acquainted with as many Credit Unionists as possible. I met Maynard of Rhode Island; Moses of New Orleans; Bergengren, Rentfro, Tom Doig, Ralph Christie, Dora Maxwell and Charlie Hyland, all of Madison. Then came Hoskins of Oklahoma City; Preston Holmes and Joe De Ramus of Chicago; Potter of Washington, D. C.; Dr. Solem and Mrs. Skorstad of Minneapolis; Reid of New York Municipal Credit Union; and Roy Bergengren, Jr., and many others.

Such fine personalities they all possessed! I concluded that our movement was safe under the leadership represented by this excellent group of people.

Elder and I had breakfast together Friday morning and at nine o'clock we entered the Ballroom of the Hotel Loraine, ready for the first business session. The tables were arranged in three long rows with the Directors seated in the alphabetical order of the 45 states, Hawaii, and Nova Scotia, represented. Pennants were placed on the tables designating the various states.

Each Director was supplied with a large loose-leaf notebook on which was printed his name and state, and within was the most complete and comprehensive set of materials I have even seen. The table of contents listed 20 items including the two-day program, a note of welcome from the Raiffeisen House employees, a copy of Filene's last letter to the Raiffeisen House, the order of business, reports from the various officers and the executive committee, amendments to be

considered, scratch paper, a copy of the constitution and by-laws, auditors reports, proposed budget for the coming year, etc.

In Memoriam

When the meeting was called to order by President Clarke, the first action of the Board was to stand in reverent silence for one minute in honor of our founder, Edward A. Filene. There were five business sessions during the two days. Every item of business considered and acted upon was most seriously debated before a vote was taken. Harmony prevailed throughout, and the general welfare of the entire membership of the National Association was the keynote of the meeting.

Friday afternoon at 5:30 the entire group was to see Madison. We were driven in motor cars around the city, and I was fortunate to be in Earl Rentfro's car with Sidney Stahl and N. C. Helman of New York City. The State Capitol, the University of Wisconsin, the Governor's Mansion next door to the Raiffeisen House, and the beautiful lakes were some of the points of interest.

The Jamboree

Saturday evening we attended the Credit Union Jamboree which was given in the Masonic Temple by the 53 credit unions of Madison. (Think of it, 53 credit unions in a city the size of Austin, Texas). More than 1,000 people attended the dinner after which specially arranged credit union songs were sung by the entire delegation.

There was a grand procession to the main auditorium of the Masonic Temple. A short movie was shown of the Raiffeisen House employees at work and also the pictures taken just after the fire showing the amount of damage done to Raiffeisen House. There followed an impressive cere-

Please Take Note

When writing to the Managing Director of the Texas Credit Union League, Mr. Granville W. Elder, please address correspondence to 3920 Coyle St., Houston, Texas. Mr. Elder, in addition to being Managing Director of the League is also Treasurer of the largest Credit Union in Texas, the Houston Postal Employees Credit Union. It will help expedite matters to send League mail to him at the above address.

mony of the outgoing president passing the symbol of authority to the incoming president.

A Filene memorial exercise consisted of several vocal numbers presented by the A Capella Choir of Sheboygan (Wis.) Vocational School. Addresses of welcome were made by Mayor Law of Madison and Governor La Follette of Wisconsin. The comedy of the evening was furnished by Professor Cool of the University of Wisconsin, who had the real "deadpan" expression, and his wit was very unusual. One young musician entertained by playing an "electric guitar".

Business

Some of the outstanding matters of business accomplished were: the selection of Madison as the permanent home of CUNA; redistricting the U. S. into six areas according to numbers of credit unions, and the selection of a vice-president from each area; limiting the number of members on the executive committee to one from any state, and restricting any paid CUNA employee from serving as a member of the executive committee; decision to continue publication of BRIDGE; approval of a plan to erect a "Filene Memorial" building, and the selection of Claude E. Clarke to head the committee to raise funds for the same; adoption of a budget for the coming fiscal year of \$85,630; acceptance of a \$10,000 subsidy from the Twentieth Century Fund; acceptance of an anonymous gift of \$1,000 to assist in the publication of BRIDGE; and the election of Presley D. Holmes, Chicago, as President. Roy F. Bergengren was elected Managing Director; Charles G. Hyland, Wisconsin, Treasurer; Harold Moses, New Orleans, Secretary; and the following six Vice-Presidents: William Reid, New York; W. W. Pratt, Pennsylvania; Parke S. Hyde, California; J. C. Howell, Michigan; Garfield S. Seibert, Kentucky; and B. F. Hillebrandt, Missouri, were chosen.

I could write a book about this trip, but will conclude by saying that the privilege of associating with a group such as the Board of Directors of the Credit Union National Association is the highest honor that has ever been bestowed upon your secretary.

W. J. Edmonston.

Electrifying America

NEW YORK—One million men and women working 4½ years would be required to fill the potential demand for electrical appliances in this country, which, according to a recent estimate, amounts to \$16,000,000,000.

An Open Letter

To Denton County Teachers

Federal Credit Union

Members

AT THE April meeting of the Board of Directors, the question of subscribing for CUNA Mutual Insurance for both borrower and saver was discussed at some length. No definite action was taken. Several stockholders asked for more time to study about the proposition. We would like to know how more members than were present feel about taking up this additional Credit Union feature. It is not a "something for nothing" proposition, but it does appear to have considerable merit. Briefly, we can subscribe for life insurance protection for all of our borrowing members up to the amount of the unpaid balance of their loans under one plan, and for all of our members for the individual share balances up to \$1,000.00 under a second plan. Each plan would cost \$.65 on the \$1000.00 of either loans or shares. Thus, if we have both kinds of insurance and a member died, his estate would receive double his share balance whether \$5.00 or \$1,000.00, and if he had a loan the unpaid balance would be paid off by the insurance company. We are now charging ¾ of 1% per month interest on unpaid loan balances. If we subscribe to both forms of insurance protection, we shall probably need to raise the interest rate to 5/6 of 1% per month and also reduce our dividend rate at the end of the year from the 5% established last year to 4%.

The CUNA Mutual Society is a non-profit cooperative corporation organized to serve the credit union membership. It is organized along regular life insurance lines with the American Experience Table of Mortality and 3½% compound interest as the basis of its calculations. Any profit it may make, however, may be expected to be returned to its patrons either directly or indirectly.

Question: Do we want to take on either or both of these types of insurance protection? They cost something, but are they worth more than they cost? Your Directors would like to get an expression from you. They want to represent you to the best of their ability. Please notify any one of them how you react.

Your Treasurer,

Robert L. Conrod

ALAMO POSTAL

ALAMO POSTAL Credit Union is the oldest and largest credit union in San Antonio, having received its charter from the State Banking Department February 25, 1930. Our growth from that time has been gradual but steadily on the increase. Our present membership is 315 with our borrowers numbering 221. This is out of a possible membership of 537.

The March financial statement is as follows:

Cash	\$ 544.29
Personal Loans	55,939.69
Furniture and Fixtures....	150.00
Expense	452.84
Total	\$57,086.82

LIABILITIES

Shares	\$52,907.45
Cash Over	6.25
Entrance Fees	2.75
Guarantee Fund	2,229.80
Undivided Earnings	402.16
Interest	1,530.06
Fines	8.35
Total	\$57,086.82

We believe that the need and usefulness of a credit union has been fully demonstrated to our membership, in that it has been able to take care of their emergency financial needs and difficulties. We still need to educate many of them to the fact that the credit union is not just another loan agency, but a real cooperative organization to encourage savings as well as to provide for their loan needs.

In line with this idea, our Board of Directors voted in their January meeting to subscribe to "The BRIDGE" for our entire membership, and also to adopt the "AA" Plan of loan insurance. At our annual meeting we had voted to change our by-laws to omit fines for delinquent payments. The twenty-five cent charge per month, as provided for in our by-laws seemed unfair as the charge was the same regardless of the amount of the payment which was delinquent.

Our Board of Directors are M. R. Gerdes, Pres., H. F. Elley, Vice-Pres., M. P. Ferrero, Secretary, Adolph S. Anderson, Treas., Max Springer, Holman Cox, Geo. M. Rance, B. W. Bradley, W. A. Dunn, Paul Jaehnig, A. J. Perner, B. H. Schulze.

Adolph S. Anderson, Treasurer

TEXAS LEAGUE NEWS

California Credit Union News



Official Publication of the California Credit Union League

Volume III

May, 1938

Number 12

Rural Credit Union Activity

CALIFORNIA has both a large agricultural area and a large agricultural population. Agriculture is one of the leading industries of the state. Despite all that, rural credit union development lags behind just as it does in practically every other state.

Most credit union leaders are aware of this condition and are becoming more and more concerned over finding a solution. Outside the United States rural credit union development has kept pace with and in most cases surpassed urban development.

Of interest in connection with a discussion of this nature is the report of the Committee on Rural Credit Unions as read at the recent meeting of the Board of Directors of the Credit Union National Association. We quote from that report as follows:

The Need

"The value of cooperative credit union service for people of rural communities is, we believe, apparent to all. Information valuable to us was obtained from a questionnaire sent to over 300 credit unions serving farm groups or people living in small communities. About 130 replies were returned indicating the need and success of this type of credit union.

"Interest in organizing credit unions for rural areas is increasing rapidly. Cooperative organizations from coast to coast are interested in bringing credit union services to their membership. Most of these cooperatives serve people living in rural areas. The Farmers Union of Colorado has recently decided to form credit unions for its entire membership in so far as possible. The leaders in this state were able to create interest in credit unions by employing the technique of having group discussions before organizing.

"The Committee recommends that particular attention be given to the

development of rural credit unions within the coming year. Delay on the part of our National organization in pushing this development may be greatly regretted on our part. We are all agreed that it is important to draw people into our movement from all walks of life, including the rural areas, in order to develop a well-balanced movement. Furthermore, if the organization of credit unions among rural people is delayed any longer, other agencies may spring up to serve this need which would mean a duplication of effort in these areas. In addition to the interest among rural people organized in cooperative organizations, there are numerous communities that at present do not have banking service. It is our obligation to the people of these communities to assist them as promptly as possible in the organization of credit unions.

"Members of consumer cooperatives have been found a good medium around which to organize rural credit unions because their membership is open to everyone in the community, and thus forms a broad basis for a credit union. Members of marketing cooperatives are also a useful medium, but they are limited by the fact that their membership is limited to the producers of a definite agricultural product, and hence cannot be

as easily broadened out to a community institution. Credit unions have also been organized around local units of farm organizations, many of which are operating very successfully. These organizations have the disadvantage of being limited to just those farmers who are members of that particular organization.

"Successful credit unions can be organized among members of a church in a given locality. This type of credit union usually does not give as broad a service as may be desired. The community credit union, serving all of the citizens living in a well-defined rural community, should be encouraged. Care should be taken when selecting the Board of Directors of a credit union of this kind. Citizens who are engaged in business of a given locality in most cases, should not be selected directors of a community credit union. The old danger of paternalism and exploitation is apt to creep into the management of all credit unions, and this is particularly true of the community credit union.

Membership

"Possibly, the best machinery around which to organize a rural credit union is the combined memberships of all types of cooperatives and farm organizations in any given rural community. This would afford the broadest possible basis for a rural credit union. By this method, we could include people living on the farms and in the villages, making of the credit union a community enterprise.

"Therefore, we ask all state leagues and chapters of state leagues to recognize their obligations and with the help of CUNA, plan an immediate development of credit unions for rural areas. The FCA at this time has a large number of trained men in the field available to assist in

League Dues

League dues are coming in nicely. We appreciate very much your cooperation in getting them in early. That allows us to get this first of the chore out of the way, clearing the boards for other work. If those who have not taken care of this little detail will do so as soon as possible, we can get our books closed on this and get at other things.

California Credit Union News

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Editor - - - JOHN L. MOORE
Associates

C. W. WEISER - H. G. BAUGH
GEORGE POHL

the formation of additional credit
unions of this type. The Committee
further recommends that it be the
objective of the Credit Union Nat-
ional Association to employ someone
as soon as the budget permits who
will specialize in organizing credit
unions of this kind."

One of the great needs in connec-
tion with successful rural credit un-
ion development seems to be a good
steady course. In the Maritime Pro-
vinces of Canada and to a lesser de-
gree in Colorado, a successful rural
development is taking place in con-
nection with definite preparation
through organized study groups.
Such groups need study material.

In California we have five credit
unions serving members of the
Grange. They are in the following

Organization Service

The facilities of the California
Credit Union League are avail-
able, without charge, to any group
interested in organizing a credit
union anywhere in California.
This League is a voluntary asso-
ciation of the credit unions oper-
ating in California. It with 42
other Leagues owns the Credit
Union National Association.

Briefly, the objects of these
central organizations are to pro-
tect, perfect, and extend the cred-
it union movement; to supply for
credit unions the common services
used by all; and to render counsel
and assistance.

If interested in organizing a
credit union of any kind anywhere
in California or if desirous of fur-
ther information or assistance,
address:

CALIFORNIA CREDIT UNION
LEAGUE

John L. Moore, Managing Director
Room 6, 1307 Harrison St.
Oakland, California
Phone: Higate 7360

counties: Tehama, Butte, Sacramen-
to, San Louis, Obispo, and Riverside.
These are examples to be studied of
the type serving farmer organiza-
tions.

A credit union at Petaluma and
one at Stockton serves members of
the Poultry Producers Association.
These are the farmer producers co-
operative type.

There are five serving rural or
semi-rural consumer cooperative
groups. The oldest one of these is at
Sebastapol. The others are at Hay-
ward, Palo Alto, Whittier, and Tur-
lock.

Still Others

Yosemite Credit Union serves the
community in Yosemite Valley. It is
of the small community type rather
than the rural type. Mupu Credit
Union in Santa Paula is a rural com-
munity type.

Salida Rural Credit Union serving
the trading area around Salida in
Stanislaus County is typical of the
kind of rural credit union that must
be developed if all the farmers of a
community are to be reached. There
are 3,600 rural families in the terri-
tory served and each person is eligi-
ble for membership in this credit un-
ion. The only membership eligibility
requirement is that of residence
within the territory served.

A Job to Do

Thus we find that there are fifteen
credit unions in this state that are
rural or semi-rural in character.
There is room for from five hundred
to one thousand such credit unions.
That is the job of rural development
before us. It is a job that will re-
quire much work to complete. The
work must come from those of us
who will do whatever we can to reach
the far places of this great state.

Mercenary?

THE AVERAGE credit union member
is not mercenary. To him there
is something in the movement above
any monetary gain. He looks beyond
the dollar and cents value and sees
the service motive above. However,
occasionally, you hear someone pass
a remark indicating their belief that
credit unions are made up only of
mercenary persons each one out to
get all that he can out of these or-
ganizations. Too often the persons
making such remarks are either that
way themselves or use such state-
ments to gain some end of their own.

Apparently, it is true that there
are some who are in credit unions
only for mercenary reasons and an

occasional credit union is controlled
by such persons. Such persons and
such credit unions usually have no
use for the league or for what the
league is working for. If any of
them do get into the league, the
league does not satisfy them and if
they cannot change it around to suit
their ends, they turn against it.

If credit unions and credit union
members were as mercenary as these
people try to make them out to be,
they would not deserve the consider-
ation that they now receive. Close
contact with great numbers of credit
unions and knowledge of their me-
chanics and methods disprove the
claim that these organizations are
mercenary.

The Dividend

The claim that the member is aft-
er his six per cent "or else" is amply
disproven by the fact that our most
vigorous credit unions are deliber-
ately dropping below that level
through adding of additional ser-
vices. The dropping of the dividend
rate in these cases has resulted in no
decrease in the rate of growth. In
practically every case the rate of
growth has been accelerated where
additional services have been added
and commensurately smaller divi-
dends paid.

In some smaller groups it takes
several years to develop a sufficient
volume of business to pay much of
a dividend. Still these groups grow
during those early years. In some
larger groups there are rapidly
growing credit unions with hundreds
of members where the policy has
been to never pay a dividend in ex-
cess of four per cent. You find no
mercenary traits there. Incidental-
ly, excessive dividends tend to draw
into membership the undesirable few
who are mercenary minded.

Pay

Our laws prevent the payment of
our officers, directors, and members
of committees. There is nothing
there that could be called mercenary.
In the cases where treasurers are
paid for their time, their pay seldom
is such as to attract the mercenary.
Their exacting duties are seldom
properly recompensed.

Hence, when the cry is occasion-
ally raised that our members are in
the credit union only for what they
can get out of them, stop and con-
sider what might be behind the cry.
The one raising the cry is usually
misled or might bear watching. If
allowed to control, the mercenary
would ruin our movement.

NEW YORK CREDIT UNION NEWS



Volume I

May, 1938

Number 7

Annual Meeting June Tenth

THE 1938 Convention of the members of the state league will be held on the weekend of June 10th at the Hotel Flagler, South Fallsburgh, N. Y. The plans which are being worked out by the committee, headed by William Goldfine, chairman, indicate that nothing is being overlooked to make it the greatest and most successful convention ever held.

The convention headquarters afford facilities for outdoor sports including golf. Credit unionists are urged to bring the women folks. The convention program is being planned with considerable thought to the educational features, the business of the meeting as well as the recreation of delegates and visitors.

The information obtained by individual credit union officers or members should assist materially in developing better and more intelligent direction of the individual credit union. The more each official learns as to how to correctly carry out his responsibilities, the finer the credit union service is bound to be to the members.

The business meeting of the delegates is an important part of the annual convention. The members will hear the reports of their officers, act upon proposed amendments to the by-laws, adopt a budget for the fiscal year 1938-1939, elect three directors-at-large and generally assist in promoting credit union development.

The convention provides an excellent opportunity for credit unions to show their appreciation to their officers and committee members for the time devoted to credit union work during the year, without compensation, by sending them to this meeting. Every credit union should be

represented at this annual event. Each credit union which is affiliated with the league is entitled to two votes regardless of size.

The subscription rate is \$12.00 per person for the entire convention, which includes six meals and two nights lodging.

DELEGATES coming from the North and Western parts of the state (150 miles beyond the convention headquarters) will be allowed the following amounts for transportation:

Niagara Falls District Chapter	\$7.00
Rochester District Chapter \$4.50
Buffalo District Chapter \$6.00
Syracuse District Chapter	
(except southern tier) \$1.00
Reservations close May 20, 1938.	

CONVENTION COMMITTEE

William Goldfine, chairman; Max Frankel, Fred Dysinger, William Reid, Thomas J. Kelleher, John J. Ammering, Jack Bucksbaum, Otto Schuler, Warren O. Parker, Sidney Stahl.

STATISTICS

The Statistical Committee of the League is assembling data pertaining to important phases of credit union activity for the purpose of study, analysis and use in connection with legislation and other administrative recommendations.

It is of vital importance to the development of the credit union movement that every credit union respond to the questionnaire recently sent out.

A New Vice-President



WILLIAM REID

Elected Vice-President of CUNA

NEW YORK STATE was honored by the election of William Reid as vice-president of the northeastern area at the annual meeting in Madison, Wis., on April 8th and 9th.

Mr. Reid has served the Municipal Credit Union for many years and come to the New York League in 1935 as a director. In 1936 he was elected as president of the league and still serves in that capacity. He enjoys the respect of his innumerable friends for his sincerity, ability and energy. He will bring to the Credit Union National Association his years of experience as an organizer and leader and his membership on the Executive Committee of CUNA cannot fail but be of immeasurable value to the movement.

The Official Publication of the
NEW YORK STATE CREDIT
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 Organized 1922

55 WEST 42nd STREET, NEW YORK, N. Y.
 Phone: Bryant 9-5167
Credit Unions Organized Anywhere Without Charge

MAY, 1938

SIDNEY STAHL Editor

Officers

William Reid	President
William Goldfine	1st Vice-President
John J. Ammering	2nd Vice-President
W. O. Parker	3rd Vice-President
Nat C. Helman	Executive Secretary
Otto Schuler	Treasurer
Sidney Stahl	Managing Director

Directors at Large

Fred D. Dysinger	J. B. Lyon Co.
Nat C. Helman	Heights
William Reid	Municipal

Buffalo District Chapter

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C. W. Raych—Alternate Director	Buffalo A.W.U.E.
J. Orrin Shippe—President	Buffalo Insurance
Harry A. Faulkner—Vice-Pres.	Larkin Employees
J. E. Alderman—Sec.-Treas.	Aircraft
Wm. B. Smalley—New York Central R. R. System	
Samuel J. Weinberger	1st Austrian & Galician
Miss Mildred Duly	Sears Buffalo

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E. L. Hall—Alternate Director	Fort Edward
Matthew G. Dugan—President	Albany Postal
A. C. Goldstein—Sec.-Treas.	Troy Hebrew
Dr. Hugh di Francesco—Vice-President	Italian
Daniel M. Parker	Fort Edward
A. I. Gordon	Troy Hebrew
J. H. Doty	Imperial Paper & Color Corp.

Catskill District Chapter

Louis N. Zipperman, Director	Ellenville
Jack Thau—President	Sullivan County
Leo Backsbaum—Vice-President	Ellenville
Howard J. Leeson—Sec.	Middletown State Hosp.

Metropolitan District Chapter

Stanley C. Bresnick—Director	Montauk
Jack Backsbaum—Director	Melrose
Alexander Chilk—Director	Progressive
William Goldfine—Director	Bronx
Frank Rubel—Director	Sixth Avenue
Otto Schuler—Director	Nathan Schweitzer Co.
Ludore Steinig—Director	Amalgamated Cl. Wkr.
Samuel Pines—President	Municipal
R. Cornelius Raby—Vice-President	Provident
Samuel Checkver—Sec.-Treas.	Tchudnover
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Samuel Goldfine	Bronx
Herman Himmelsheim	Middle Village
I. Levine	Central
F. Meyer L. I. City P.O.	J. Kantor
H. Baber	Hempstead
S. Jacobs	Royal
Joseph Berger	Coney Island Mutual

Niagara Falls District Chapter

Peter J. Crotty—Director	Niagara Falls P.O.
J. A. Foessl—Alternate Director	Niagara Dupont
W. Frank Jack—President	Niagara Falls Teachers
Ben Exler—Vice President	Niagara Falls Hebrew
Edward M. Scherer—Sec.-Treas.	Niagara Falls P.O.
A. C. Harris	Niagara Dupont
Samuel McCutcheon	Niagara Falls Firemen's
Franklin H. Hahn	Tonawanda Boxboard

Rochester District Chapter

John J. Ammering—Director	Rochester Postal Em.
John J. Ammering—Pres.	Rochester Postal Em.
Rita Miner	Sears Rochester
Adrian S. Leys	Rochester & Monroe County
Benj. Lipson—Sec.-Treas.	Washington Minute Men
Harry Liskowsky	Rochester Hebrew
Harry Burgeman	City Delivery Employees

Syracuse District Chapter

Jos. C. Stanton—Director	Syracuse Rendering Em.
Mrs. M. Welch—Pres.	Syracuse Teachers
Roy H. Howard—Vice-Pres.	Syracuse State School
R. W. Colomb—Secy	Sears Syracuse Employees
S. S. Hamlin—Treas.	Syracuse Plow Employees
H. B. Hoagland	Auburn Int. Harvester
Frederic G. Davis	Elmira

Utica District Chapter

T. J. Kelleher—Director	Utica P. O.
William Wiskin—Pres.	Marcy State Hospital
Leon Beckman—Vice-Pres.	Skenandoa Rayon Em.
Miss Ethel M. Witte—Sec.-Treas.	Vernon-Verona
George La Cantzlaar	Utica State Hospital
Ira F. Domser	St. Peters Parish
Charles Brientenberg	Utica Fire Department

Honorary Presidents

Edward A. Norman	Louis G. Weiler
------------------------	-----------------

Honorary Directors

Max Frankel	Max E. Meyers
Rolf Nugent	

Board of Directors Meets

A MEETING of the board of directors of the New York State League was held on Saturday, March 26th, at the Hotel Governor Clinton in New York City. Among the important matters discussed, we note the following items for their general interest to all credit unions.

An approval from Mr. Matthew F. McAvoy, Assistant Deputy Superintendent of the New York State Banking Department permitting state chartered credit unions to grant loans under the new National Housing Act.

Reports from the managing director, executive secretary and the chairmen of the several committees of the league reflecting continued progress in state activities; a resume of the report of the law and legislative committee is contained elsewhere in these columns.

The savings bank life insurance committee of the league reported on their contacts with the representatives of the insurance department and the Saving Bank Life Insurance League. A complete report on credit union participation in savings bank life insurance will be made in the very near future.

The managing director submitted the membership application of 20 credit unions, which was approved.

Voted to submit to the coming convention an amendment to league by-laws which would provide for three new chapters located at Poughkeepsie, Schenectady and the southern tier (Corning-Elmira) and three additional directors for the Metropolitan Chapter.

Voted to hold the 1938 convention at the Flagler Hotel at South Fallsburgh, New York. (Announcement contained elsewhere in these columns.)

Report from the publicity committee on a credit union broadcast over station WWLR.

Voted that each chapter submit to the budget committee a statement of their financial requirements for the next fiscal year.

Voted that at the coming convention, that only such persons are eligible for election as directors-at-large as were delegates to the convention at which the election takes place, or who were at one time delegates to any prior convention.

Voted that all officers and directors of the league be entitled to vote at the convention on all matters except elections.

Report on proposed revision of

bookkeeping forms for credit unions. Report on legislation for federal credit unions.

Miss Dora Maxwell of the Credit Union National Association and Matt Dugan of Albany attended the

New Credit Unions

January 1st to April 30th

BUFFALO DISTRICT CHAPTER

Buffalo Fire Department Federal Credit Union, Buffalo, N. Y.

Bath N. Y. Veterans Administration Employees Federal Credit Union, Bath, N. Y.

CAPITOL DISTRICT CHAPTER

Schenectady Consumers Cooperative Federal Credit Union, West Albany, N. Y.

Hendrick Hudson & Troy Hotels Employees Federal Credit Union, Troy, N. Y.

METROPOLITAN DISTRICT CHAPTER

Retail Shoe Merchants Credit Union, Bronx, N. Y.

Miller Bakeries Federal Credit Union, Brooklyn, N. Y.

Brooklyn Boro Lodge Federal Credit Union, Brooklyn, N. Y.

Newburgh duPont Employees Federal Credit Union, Newburgh, N. Y.

Rymalower Federal Credit Union, Brooklyn, N. Y.

Harlem YWCA Federal Credit Union, New York City.

Empire 98th St. Shop Federal Credit Union, New York City.

South Nassau Postal Federal Credit Union, Hempstead, L. I.

NYPOE Federal Credit Union, Brooklyn, N. Y.

North State Federal Credit Union, New York City.

White Plains Teachers Federal Credit Union, White Plains, N. Y.

Eastern Dairyland Employees Federal Credit Union, Brooklyn, N. Y.

Holy Rosary Parish Federal Credit Union, Brooklyn, N. Y.

Legion Post 1004 Federal Credit Union, Brooklyn, N. Y.

Glanzberg Federal Credit Union, New York City.

Retail Clothing Salesmens Federal Credit Union, New York City.

Northern Assurance Employees Federal Credit Union, New York City.

Netherland Federal Credit Unions, New York City.

Sacred Thorn Federal Credit Union, Brooklyn, N. Y.

WISCONSIN SUPPLEMENT



PUBLISHED BY THE WISCONSIN CREDIT UNION LEAGUE, 259 EAST WELLS ST., MILWAUKEE, WIS.

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Falk Credit Union,
Milwaukee, Wisconsin

R. SANDERS, Vice-Pres., Dist. 5
Marathon Paper Mills Employees
Credit Union
Rothschild, Wisconsin

WALTER E. MEYER, Secretary
Plankinton Credit Union
Milwaukee, Wisconsin

JOS. A. KUEMMEL, Managing Director and Treas.
Gridley Ice Cream Div. Credit Union,
Milwaukee, Wisconsin

FLOYD BARBER, Vice-Pres., Dist. 2
Kenosha Postal Credit Union
Kenosha, Wisconsin

GEORGE WEINFURTER, Vice-Pres. Dist. 1
Appleton Postal Credit Union
Appleton, Wisconsin

JOHN ROOP, Vice-pres., Dist. 4
La Crosse Mun. Emp. Credit Union
La Crosse, Wisconsin

GORDON OHNHIAUS, Director, Dist. 6
Post Office Credit Union
Madison, Wisconsin

M. A. PUERNER, Vice-Pres., Dist. 3
Municipal Employees Credit Union
Janesville, Wis.

E. J. OYERSON, Vice-Pres., Dist. 7
Gt. Northern B. of R. C.
No. 415 Credit Union
Superior, Wisconsin

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Northwestern Mutual Credit Union
Milwaukee, Wisconsin

W. A. CLARK, Extension
A. O. Smith Credit Union
Milwaukee, Wisconsin

VAL JACONI, Technical
Seaman Body Credit Union
Milwaukee, Wisconsin

A. F. SHEELBY, Publication
Globe Credit Union
Milwaukee, Wisconsin

Volume II, Number 4

Madison, Wisconsin

May, 1938

On To La Crosse!

LAST MINUTE preparations are now under way for the fourth annual meeting of the members of the state league to be held at La Crosse on May 21, 1938, at the Hotel Stoddard.

From the correspondence that has passed through the league office in recent weeks and from comments heard, we believe that a very large delegation of credit union people will attend this years convention. We have noted particularly that more and more credit unions are recognizing the advisability of sending their entire board of directors to the annual meeting.

A special train has been chartered by the credit union group coming from Milwaukee and vicinity. The train leaves the union depot at Milwaukee at 7:00 P. M. Friday, May 20, 1938, arriving at La Crosse about 10:30 P. M.

The board of directors will have a meeting on Friday evening, May 20, and the convention proper will get underway on Saturday morning at 8:00 A. M. with the registration of delegates and visitors. At 9:00 A. M. the educational meetings are scheduled to begin, which consists of four groups, the treasurer's group, the credit committee group, the board of director's group and the CUNA Mutual Society meeting, discussing borrower's and life savings insurance.

At 11:30 A. M. the districts who are electing officers will caucus for the election of a vice-president of their district. These caucus meetings will be held in various ample

rooms in the basement of the Hotel Stoddard.

The business meeting will convene at 2:00 P. M. at the Vocational School auditorium, about one and one-half blocks from the convention headquarters.

At 6:30 P. M. a splendid banquet has been arranged for with a notable speaker and plenty of entertainment, followed by dancing until midnight.

A cordial invitation to attend the meeting is extended to all credit union people regardless as to whether they are delegates or members of credit unions who are affiliated with the league. We also hope that credit union people will bring along a friend or anyone who is interested in the credit union movement or in the establishment of a credit union in their group or locality. The officers of the league look forward to meeting many old friends and greeting many new ones.

Banquet Program

Hotel Stoddard—6:30 P. M.
Music by Orchestra
Community Singing
Invocation
Dinner and Entertainment
Toastmaster's Opening Talk
Word of Welcome—Mayor of La Crosse
Addresses by several prominent Speakers
Dancing until 12:30 P. M.

Cuna Meets at Madison

THE FOURTH annual meeting of the CUNA national board was held at Madison on April 8 and 9 attended by approximately eighty national directors. The Wisconsin delegation of five national directors; namely, Charles Hyland, Norman T. Brice, Walter E. Meyer, J. A. Roop and J. A. Kuemmel, were also in attendance at this two-day meeting.

Reports were made by the president of the National Association, the managing director, the organization and contact department, the CUNA Mutual Society, and the CUNA Supply Cooperative.

Other matters discussed covered a wide range of subjects, such as proposed amendments to the by-laws, change in term of officers from two years to one year, and the BRIDGE magazine. A report was also made on the crowded conditions of Raiffeisen House, and a committee was appointed to investigate the possibility of erecting a building which would serve as a combined national headquarters building and a Filene Memorial.

On Saturday evening the national board were the guests of the Madison Chapter of Credit Unions at an enthusiastic credit union jamboree and banquet followed by an unusual ceremony inducting the new president of the National Association, Presley D. Holmes, and followed by an impressive Filene memorial service and entertainment at which the governor of the state of Wisconsin, Honorable Philip La Follette, welcomed the national board to Madison.

The election resulted in the following officers being elected: president, Presley D. Holmes; secretary, Joe De Ramus; treasurer, Charles D. Hyland; executive board, Wm. Reid of New York, W. W. Pratt of Pennsylvania, Garfield Siebert of Kentucky, J. C. Howell of Michigan, B. F. Hillebrandt of Missouri, and John L. Moore of California.

Other Wisconsin credit union members in attendance at the national board meeting were Edwin Eich of the Brewery Workers Credit Union of Milwaukee; Mr. Juranistch of the Telco Credit Union at Kenosha; Henry C. Blum and Ivan Von Berg of the Telco Credit Union of Milwaukee, Miss Helen Logue of the CUNA Credit Union, Madison, and many other representatives of Madison credit unions.

We Welcome You

THIS MONTH we welcome to membership in the state league the following credit unions:

Herald Times Credit Union, Manitowoc.

Aluminum Workers Credit Union, Manitowoc.

Aluminum Goods Credit Union, Two Rivers.

Tribune Credit Union, La Crosse.

La Crosse Firemen's Credit Union, La Crosse.

Trane Co. Credit Union, La Crosse.

Marathon Menasha Credit Union, Menasha.

Farmers Mutual Credit Union, Madison.

Service Bakery Credit Union, Appleton.

Red Arrow Credit Union, Superior.

Golden Guernsey Credit Union, Milwaukee.

Daily Distributors Credit Union, Milwaukee.

Luick Ice Cream Credit Union, Milwaukee.

Holeproof Main Plant Credit Union, Milwaukee.

Gold Bond Credit Union, Milwaukee.

Shorewood Teachers Credit Union, Shorewood.

Pittsburgh Plate Glass Credit Union, Milwaukee.

Sure-Stick Credit Union, Milwaukee.

Co-op Credit Union, West Allis.

Shipbuilders Credit Union, Manitowoc.

To the Ladies

NOW THAT spring is actually here (and what is a more beautiful season than a Wisconsin spring?), we of the fairer sex become suddenly conscious of the drab, seedy look of our winter wardrobe and the imperative need for something new and refreshing. Away with that grey woolen frock we thought so stunning last fall, and on with one of those heavenly navy blues trimmed with pique here and there! The first robin and the first bud on our favorite tree are signals for a hasty survey of last year's collection of clothes and for the addition, if nothing else, of a gay bouquet of flowers to that black felt hat. Fortunately, Dame Fashion's decrees are again on the side of us ordinary working gals with limited budgets, for cotton dresses as inexpensive as they are attractive, once again occupy a conspicuous place in 1938 wardrobes. If you have nothing else to wear to the office this summer, be sure you have one of those square-necked, lace-trimmed cotton prints which you can get for the price of one credit-union share—or less.

* * *

If you decide to "go social" and entertain your board of directors at home some evening, here's a fool-proof recipe for delicious chocolate cookies which *require no baking*:

Melt a pound of sweet chocolate and two squares of bitter chocolate in your double boiler. Add three cups of Post Toasties, a cup of walnuts, and a cup of dry cocoanut, as well as a dash of vanilla. Drop from a teaspoon on wax paper; allow to dry for twenty-four hours, and presto! you'll have about sixty superlative cookies to appeal to the most jaded appetite of any Director.

Do us a favor: try your hand at this gentle art of baking cookies without an oven, and let us know how you liked them.

* * *

"Snow White and the Seven Dwarfs," Walt Disney's masterpiece, came to town the end of March and all the little people (to say nothing of their elders) rushed the gates to see Dopey, Sneezy, Doc, Happy, Grumpy, Bashful, and Sleepy come to life—a perfect realization of what their imagination had always pictured. Snow White herself stepped right out of the picture into the hearts of every man, woman, and child in the audience. *Don't Miss It!* Borrow from the credit union if necessary, to see it.

* * *

The benefits of the credit union to two Wisconsin women was effective-

ly demonstrated a few weeks ago when one Wisconsin credit union financed the arrival into the world of two new babies—both, we hope, potential members some twenty years hence. Who knows—without credit union help, these two future citizens might have made their appearance under much less pleasant or scientific conditions with greater danger and discomfort to their mothers. Life, somehow, loses some of its terrors with a credit union in the background ready to extend a friendly hand during periods of financial stress.

* * *

Presenting Miss Mabel Haas

Wisconsin Ice and Coal Company in Milwaukee has an up-and-coming credit union with an up-and-coming treasurer: Miss Mabel Haas. She's been on the job for two years and during that time has manifested again and again her ability to keep a credit union very much on the hump. Popular with the members, possessing a keen understanding of what cooperation is and how it should function, she is making a genuine contribution to the great credit union cause here in Wisconsin. Not satisfied with limiting her activities to her own credit union, she has participated in local, state, and national meetings. She is young, blonde, and petite. She likes to play bridge and golf; she dances, and swims. Ladies, take off your hats to Miss Mabel Haas.

Hidden Taxes

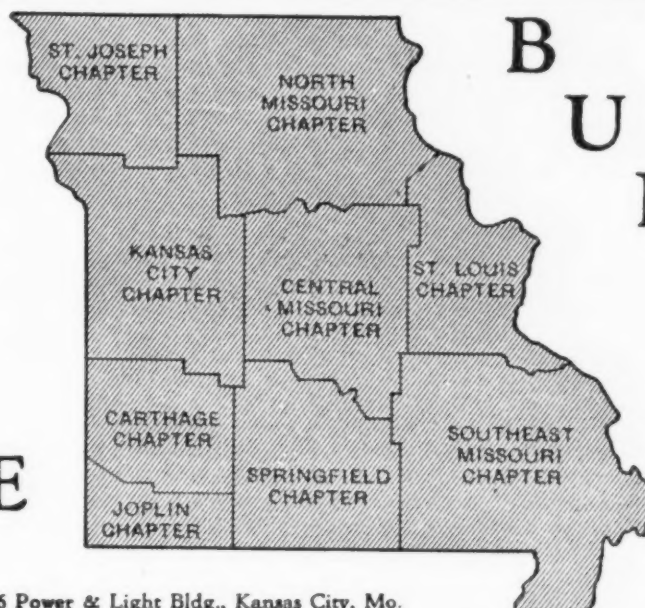
The Man Who Thinks He Is "Tax Free" Is Soaked Too for Taxes

DID YOU EVER stop to think that although your income is exempt, and you own no real property, that you pay an almost unbelievable sum to the government in taxes on practically everything you purchase?

The heads of families who earn less than \$2500 per year are free of income taxes. If he owns no property he is free of property taxes. Yet this same "Mr. Average Man" pays to the government in hidden taxes a sum that varies from \$150 to \$190 depending on where he resides. This tax averages about 19 per cent of the average man's income.

This hidden tax is included in purchase price of such necessities as tobacco, matches, lubricating oils, gasoline, electricity, tires, toilet preparations, furs, jewelry, sugar, automobiles, radios, sporting goods, cameras, candy, chewing gum, soft

MISSOURI MUTUAL CREDIT LEAGUE



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Ben F. Hillebrandt, Managing Director, 2206 Power & Light Bldg., Kansas City, Mo.

Volume VIII

May, 1938

Number 7

The Supervisory Committee

DURING the last few weeks Fred A. Sheppard, deputy commissioner of securities, has spoken at three chapter meetings and in each of them he has emphasized the importance of the supervisory committee. On account of this and to call it to the attention of every credit union, it might be well to stress the different sections of Article VII of the by-laws which apply directly to this committee.

SECTION 1. The supervisory committee shall consist of three members, who shall be elected annually by the members.

It will be noted that the supervisory committee is the only body in the credit union in which every member is elected each year. In other words, the members have an opportunity to elect an entirely new committee each year if they so desire. At least one auditor or bookkeeper should be included in the committee and this committee should also consist of persons who have the entire confidence of the membership and are well known to the membership.

SECTION 2. The supervisory committee shall at frequent intervals inspect the securities, cash and accounts of the credit union, and supervise the acts of the board of directors, the credit committee and the officers as often as may be necessary.

You will note that not only shall the supervisory committee make a thorough inspection of the cash and

records of the credit union, but they shall also see that other officers and committee members of the credit union are performing their duties properly. The supervisory committee should examine the minutes of the board meetings and see that the credit committee is meeting properly and passing on all loans. They shall also check and see that the president is performing his duties properly and that he is watching the operation of the credit union closely enough to be sure that cash is properly handled.

SECTION 3. At any time the supervisory committee by a unanimous vote at a meeting called for the purpose, may suspend any member of the credit committee or of the board of directors or any officer and, by a majority vote, may call a meeting of the shareholders to consider any violation of these by-laws or any practices of said credit union which, in the opinion of said committee, is unsafe and unauthorized.

If, in their inspection as required in Section 2, the committee should find that an officer is not functioning properly the members of the committee may decide that it is for the best interests of the credit union to suspend that officer and a majority of the committee, if they so desire, may call a meeting of the membership of the credit union to consider anything which in their opinion might be unsafe or unauthorized.

SECTION 4. Within seven days after the suspension of any member of the board of directors or credit committee or any officer, the supervisory committee shall call a special meeting of the members to take such action relative to such suspension as the members may determine. A notice of such meeting shall be mailed to each member not less than five days before the date of such meeting. The supervisory committee shall fill vacancies in its own membership until the next annual meeting.

If the committee feels that an officer should be suspended then they are required within seven days to call a meeting of the membership at which time the matter shall be presented to the members and the membership may make any decision that they desire. It will be noted that it is necessary to mail a copy of the notice of this meeting at least five days before the meeting. The last sentence gives the remaining members of the supervisory committee the power to fill any vacancies that may occur in its membership.

SECTION 5. At the close of each fiscal year the supervisory committee shall make or cause to be made a thorough audit of the receipts, disbursements, income, assets and liabilities of the credit union for the said fiscal year and shall make a full report thereon to the directors, which report shall be read at the annual meeting and shall be filed and preserved with the records of the credit union.

At least once each year this committee shall make a complete audit of the books. They may do this them-

selves or may employ such help as they see fit in order to have a complete audit made. This audit should be very complete and should by all means include a check of every pass book. In some credit unions this is done by calling in the pass books of the members so that the auditing committee may check the member's record with the records of the credit union. In other credit unions a letter is sent out to the member giving him the figures from the credit union records and asking him to check this with his pass book. A copy of the form used by one credit union is as follows:

Dear Sir:

We are engaged in auditing the accounts of theCredit Union, and according to the records your account is as follows:

(1) Amount CREDITED to you at December 31, 19....., as paid in on shares \$.....

(2) Amount CHARGED to you at December 31, 19....., as remaining unpaid on loan \$.....

If the above amounts are correct, and if they are in accord with your pass book, SIGN AND RETURN THIS STATEMENT, to the undersigned at once. Any difference that exists should likewise be promptly reported to the undersigned.

Yours very truly,

.....
.....
(Supervisory Committee)

(Signed).....

Book No.....

*A Reply Must Be Received From
Every Member of the
Credit Union*

After the audit is completed the committee shall make a report to the board of directors and after the board has had an opportunity to examine it then the report shall be read at the annual meeting and will then become a permanent part of the records of the credit union.

In general, the supervisory committee has no part in the actual operation of the credit union, but they do have the power to examine everything the credit union has done and if they do not agree with the work then they have the privilege of calling the membership together and presenting the matter to them thus giving the membership the right to decide what they wish to do.

Section 2 provides that a check of the records shall be made as often as may be necessary and Section 5 states that an annual audit shall be made. The records should be checked

at least quarterly and in most credit unions it is found more satisfactory if this check is made monthly after the treasurer has closed his books for the month. The supervisory committee should never allow the books to go without being checked longer than three months.

If all of the officers of a credit union do their work properly, then the actual time required by the supervisory committee to check the books will be very short and the work of this committee will not be a burden on any member.

Therefore, the supervisory committee should see at the beginning of their term of office that all of the other officers understand their duties and are prepared to perform them properly. When the supervisory committee properly performs its duties and the state examiner is able to complete his work in much less time, the cost to the credit union is thereby reduced. Mr. Sheppard has stated that in every credit union in which the examiner has found difficulties, that the supervisory committee has not been properly performing its duties. Therefore, it is very desirable that the supervisory committee in every credit union be asked to take its duties seriously so that the examiner will find every credit union functioning 100% in the next examination.

Two Outstanding Credit Unions

A CREDIT UNION in Kansas City which has taken advantage of the opportunities which have been offered for services to its members by the National Association is the Missouri Pacific Employees. John A. O'Sullivan is treasurer. This credit union was ten years old on the 4th of April and has well over \$20,000 out in loans to its members. It paid a 6% dividend to its membership last year even after providing the various services. The board of directors of this credit union has seen fit to provide every service to the membership. It was the first in Missouri to use the AA plan of loan protection and when the life savings plan was offered, they took advantage of it at once and received the first contract in this state. This credit union is also subscribing to the BRIDGE for every member. The members of this credit union are indeed fortunate in having the wonderful service which the credit union is providing.

One of the comparatively new credit unions has also taken advantage of the life savings protection insurance. The Quaker Oats Employees Credit Union of St. Joseph was organized August 22, 1936, and the treasurer, J. T. Johnson, is to be congratulated upon the fine work he has done in connection with this credit union.

This credit union has been using the loan protection insurance for some time and has collected on several claims. This is just one of the reasons that when the matter of life savings protection was presented to the board that they decided to use it. This credit union has approximately \$10,000 outstanding in loans and is really an example of a fast growing progressive credit union. The president, E. L. Tilson, has done much to make the credit union so successful. His leadership has been responsible for many of the wise decisions that have been made by the officers and members.

League Notes

THERE ARE 112 credit unions in Missouri now using CUNA Mutual loan protection. This loan protection insurance has proven very popular, especially the AA type and new credit unions sign up for it almost every week.

* * *

So far two credit unions reported using Life Savings Insurance with the CUNA Mutual Society. They are Missouri Pacific Employees Credit Union, Kansas City, and Quaker Oats Credit Union, St. Joseph.

* * *

Our record show twenty-one credit unions now subscribing 100% for the BRIDGE.

* * *

Charters have been issued by the state department to twenty new credit unions so far this year. The following were organized during the past month:

Grace Hill Credit Union, St. Louis.

Gist Credit Union, St. Louis.

U. C. M. Credit Union, Kansas City.

Security Employees Credit Union, Kansas City.

Blue Valley Creamery Credit Union, St. Joseph.

* * *

Thirteen credit unions have become members of the league since January 1.

Michigan Credit Union News

PUBLISHED BY THE MICHIGAN CREDIT UNION LEAGUE

19181 Centralia, Redford Station, Detroit, Michigan

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VERN WILLIAMS
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Volume IV

May, 1938

Number 5

Summaries Of Forum Discussions At League Meeting

The "News" is presenting herewith summaries of the various Forum meetings which constituted such an interesting and valuable part of the annual meeting of the Michigan Credit Union League in Detroit on April 2. At the request of the League the summaries were written by some of the individuals who presided as Chairmen at the various meetings. They are presented with the thought that they will prove of interest and value to the scores of Credit Union officers who were unable personally to be in attendance. The League is indebted to the writers for this further service in making the substance of these discussions more generally available.—Editor

Problems of the Credit Committee

By WILLIAM WIDING

General Motors Truck Pontiac Employees Federal Credit Union

SOMETIME AGO the newspapers of the country told a story of a little blue-eyed curly headed girl about five years old. While playing around her farm home, she evidently wandered too far away and got lost in the woods. There was no little girl in that home that night. Alarmed over the absence of the girl, the parents began to call and ask friends and neighbors to help in searching for their daughter. Ten thousand volunteers hunted for her far and near. Ten thousand men and women gave their time and their strength and their abilities. No doubt some of this great army neglected their own business, their own home and family, cheerfully denied themselves the comforts of home so that one little girl might be restored to her parents.

After four and one-half days of intense searching the little girl was finally found, and in a great triumphant march carried home. No doubt

the parents were glad and overjoyed to have their child back, and expressed their gratitude and appreciation to the searchers. They were very happy to know that they had ten thousand friends in this world.

When I think of these self-sacrificing searchers, I cannot help but think of the officers of the credit unions all over the land. No reward, no compensation, no honor, no privileges, yet ever ready to study and work and serve. Ever ready to give so that the credit union might go on. It was indeed an inspiration to see so many faithful men and women present at our Michigan Credit Union League Convention in the Leland Hotel in Detroit on April 2. A low, gray, unfriendly sky was hanging over downtown Detroit. A northwest wind blowing quite strong chilled one to the bone. We were glad to gather in the nice, warm rooms which had been previously engaged for us.

At ten-thirty A. M., a meeting for all credit committee members was called to order in the silver room by the writer. A large number were present representing credit unions from all over Michigan. The writer drew the attention of those present to the work before them, and quickly launched into the discussion of credit committees, their purpose and problems. We learned that credit is in a general sense a belief or a trust. The word is also used to express the reputation which a person has, or the esteem in which he is held. In a commercial sense, credit is the promise to pay at a future time for a valuable consideration. Hence solvency and ability to make payments. Credit is the asset to be used, but under no circumstances to be abused.

In order to extend the proper credit to the expectant borrower, the credit committee must first consider the purpose of the loan. Second, the ability of the borrower to pay back the loan. Third, the sincerity and honesty of the person in question. The general sentiment of the officers present seem to be, if it were ever possible, that the loan should be granted. Repayment should be made as easy as our by-laws permit. It was further clearly proven that the purpose of the credit union is to stimulate systematic saving and thrift. Whenever possible each member should save at least twenty-five cents a week. Systematically. Yet all the financial help in the power of the union should be extended to its members. Minors should be accepted as borrowers, although of course some adults must sign the minors' notes. Testimonials were given of cases where minors carried very heavy financial burdens and responsibilities. The credit committee must give them very careful consideration.

The credit committee should most diligently consider applications for loans. When a loan application has to be refused, it is much better for some member of the committee to make a personal contact with the applicant for the loan and tell him why his loan had to be refused. Often it might become necessary to ask such a member to appear before the credit committee. Many a time the credit committee and man in financial distress can find a solution for his dilemma.

It was brought out and proven that a credit committee member must have a good amount of tact, diplomacy, wisdom, and a great amount of

every-day horse sense and the necessity of every member of the credit committee to read and study our good paper, "The BRIDGE," the official credit union magazine. Quite a few of our members present decided to become subscribers to "The BRIDGE," to read and study it carefully.

Twelve-thirty quickly arrived and we recessed for lunch. Everybody agreed that the morning session was very profitable and looked toward the afternoon session with eager expectation.

Problems of the Board of Directors

By DOUGLAS ALEXANDER
Pere Marquette Detroit Employees Credit Union

The full responsibility for managing a credit union rests on the board of directors.

The three major duties of a board of directors are as follows:

1. Managing the credit union.
2. Giving instruction and regular supervision to the officers and committeemen.
3. Fostering the growth of the credit union plan.

In solving the problems involved, the directors should be guided by the fundamental principle that they may delegate duties but remain solely responsible for the management of the credit union and are therefore directly accountable for the act of all officers, committees and committeemen, or individuals which they elect or appoint. Therefore, the board should carefully study the following reports:

1. Monthly financial statement submitted by the treasurer.
2. The report of loans made by the credit committee.
3. The regular audit reports of the supervisory committee.

The handling of other people's money is serious business and it is the personal responsibility of every member of the board of directors to see that the affairs of the credit union are handled efficiently.

In carrying out its duties, the board of directors is confronted by a great many problems and at the recent annual meeting of the Michigan Credit Union League, held at Detroit, Michigan, two assignments covering topics pertaining to these problems were placed on the program. Discussions were held on some twenty questions at two meetings—one held in the morning and presided over by Mr. Milton Scherer, treasurer of the Muskegon Teachers' Credit Union, and the other, held in

the afternoon, conducted by Mr. D. C. Alexander, president of the Pere Marquette Employees' Credit Union of Detroit, Michigan.

A great deal of discussion ensued on the expense of operating a credit union, such as:

1. Advertising.
2. Subscribing to "The BRIDGE" or similar publications.
3. Allowing traveling expenses for the attendance of directors or members at meetings.

It was decided that the financial condition of many credit unions renders it impossible to formulate a set rule covering these expenses. Subscriptions to a publication should be taken out, at least, for the board of directors and committeemen and, with finances permitting, this should be extended to all members. If at all possible, traveling expenses should be allowed to the delegates for attending the annual meeting of the credit union league.

In this connection, the question of remuneration for the treasurer was brought up and it was the consensus of opinion that the treasurer should be allowed compensation commensurate with the size of the credit union and its financial condition.

While our credit union practice is to spread the various committees and our boards among as large a percentage of our membership as possible and not interlock the members of the board and the other committees, it is felt that as our treasurers are really secretary-treasurers that they should, as in the case of a great many other organizations, be members of all standing committees and in that way cement a closer relation between the committee and the board of directors.

As insurance in any form is generally a live topic, a great deal of interest was shown in the matter of Loan Protection Insurance. There is no question that all loans should be insured against death and where possible, the "A" policy should be taken out. By following this procedure, the credit union is not only protecting itself, but also rendering a much needed service to the family of the deceased borrower at a small expense to the credit union.

While on this subject of insurance, the recent announcement by the CUNA Mutual Society of its Life Savings Plan, should be given careful consideration. The economy of the coverage provided should be an incentive for every credit union to take advantage of this plan as soon as possible. The benefits to be derived by each member should encourage greater savings as the credit union

matches his dollar of savings with a dollar of coverage.

For the promotion of their credit union and the welfare of its members, the directors should strive to further the cardinal principle of the credit union movement—THRIFT—by stressing the importance of systematic saving. Also, the members should adopt a plan of regular saving not only to improve their own interests, but provide additional capital to their credit union, thereby enabling it to be of greater service to their fellow members.

Problems of the Board of Directors

By MILTON SCHERER
Muskegon Teachers Credit Union

PROBLEMS

1. Should advanced consideration be given in electing new directors? Nominating from floor, by committee, by both?
2. Is it desirable that directors hold several shares?

COMMENTS

Some advanced consideration should be given to election of directors, to get interested, active, informed persons. Nominate both by committee and floor. Number of shares held is immaterial. It is good to have both large and small shareholders. While not prohibited, it is not advisable to elect members with loans to directorships. New league credit union can make loans to officers now.

PROBLEMS

3. How can directors be interested in credit union work?
4. Best methods for keeping directors informed on credit union movement?
5. Best places and ways for directors to meet?

COMMENTS

Interest by directors may be secured by regular attendance at membership and board meetings, also by attending chapter and state credit union meetings. Further, by regular reading of "The BRIDGE," the "Michigan Credit Union News," local and chapter publications, bulletins, books, etc. Directors must be familiar with statute laws, also good credit union practice.

PROBLEMS

6. Should manager be on credit committee as well as a director?
7. How far should directors control actions of manager?

ILLINOIS LEAGUE BRIDGE INSERT



Volume II

May, 1938

Number 5

News of the Chapters

Chicago Northwest

THE APRIL meeting of the Chicago-Northwest chapter was held at the St. Michael Parish Credit Union, at 443 Eugenie Street. This "Baby" is only five months old; is "teething" with a number of loans and looking for "molars"; by teething I mean they have many applications for loans and are looking for money.

In the absence of President Graham, who was called out of town, Vice-President Fred Huebner opened the meeting at 7:15 p. m. with the members standing for a moment of silence as a tribute to Edward A. Filene.

The usual introduction of guests was next in order. Vice-President Huebner announced that the next meeting of the chapter will be held at the Irving Park Y. M. C. A. at 4251 West Irving Park road on Friday, May 20, 1938. A supper will be served at 6 p. m. and the business meeting will start at 7 p. m.

The topic of discussion will be a postmortem of the directors' meeting of the Credit Union National Association held at Madison, Wis., the week end of April 9, 1938. Everyone is invited to attend this meeting as items of particular interest to every credit union member will be discussed.

The chapter's annual outing was discussed. Suggestions of a boat-ride, picnic, dance, swimming party were made. The decision was left with the executive committee.

It is the wish of the National Association that every BRIDGE subscriber fill out the questionnaire so that we can get national advertising in the BRIDGE.

Pres. Holmes announced that a Filene Memorial building will be built and asked the credit unions for financial support. Credit unions can use their own ideas of how to raise funds.

Vice-President Huebner then introduced Mr. Arthur Clauter, director of the Illinois Credit Union League and president of Armour 31st St. Credit Union. His subject on the duties of the supervisory committee was very interesting and inspiring and we know that those present went home with a feeling that the supervisory committee must be the "police committee" of the credit union.

A rising vote of thanks was extended to Mr. Art Clauter for attending our meeting and his words of advice; also to St. Michael Parish Credit Union for their hospitality. After the meeting, amber fluid, pretzels and sandwiches were served.

In order to take advantage of these enjoyable and interesting meetings you must be present yourself; so why not come up to the next meeting and bring your friends. Free admission.

Credit unions should send names of governors and addresses to treasurer, Ernest H. Ludwig, Jr., 1230 Newport Ave., Chicago.

West Suburbanites

The West Suburban Chapter met at the Chicago-Northwestern Railroad administration building at the Proviso Yards with the Proviso Credit Union on May 3rd.

Mr. Morley introduced Mr. Shapiro, the Proviso program director, who took care of the evening's entertainment. Mr. Miller rendered two low bass numbers before he reported for duty in the yards. Mr. Morley introduced Mr. Holmes, now also national president, who thanked Illinois for the splendid record that brought this recognition in the national credit union movement. Mr. Shapiro asked little Miss Dorothy Bayer to tap a number for us. Mr. John Kelly spoke of his new job of visiting credit unions having been as

yet chiefly downstate. He especially called attention to the duties and obligations of the credit union supervisory committee holding that these committees owe it to themselves, the treasurer, and the members to do a complete and thorough audit at each quarterly period and with such audit to check members' pass books or accounts from time to time at least trial checks at intervals in addition to the annual check required by the state auditor's office.

Mr. Shapiro asked Mr. Freeman to sing for us. Mr. Barringer introduced the officers and committee members of his credit union to the chapter, and after another dance and a song Mr. Morley introduced all others present to each other. Mr. Scott spoke of the educational aspects of the National Education Association's committee on credit unions as set forth in the minutes prepared by Mr. James Moran of Connecticut, chairman of the committee of the meeting in Atlantic City last February 27th.

After the orchestra had performed numerous persons present spoke on educational possibilities, problems, and programs. Each credit union seems to work out its own plans for bringing the service ideals of credit unionism to its members. The question of programs of education is more and more demanding our serious attention. We must stand upon our own feet soundly on the factual results of the service which we render to persons in the field of economic credit. We have gone beyond the day when it is only necessary to prattle about the loan shark. The small loan company is legal and doing a distinct service and we must justify our own position in the credit field. This is education as a strict economic human activity.

Before adjournment, Mr. Holmes spoke of the meeting of the national board in April at Madison. Besides

Mr. Holmes and Mr. Kelly, Mr. Graham, Mr. Ludwig, and Miss McHahon were welcomed visitors.

Note: June 7th meeting at the Weco Credit Union, 2511 West 23rd street, Chicago. If the secretary, Albert Burrows, is notified, a cafeteria dinner will be served to you as a token of the West's friendship to credit union members and their friends. He should know how many wish to eat with them. All are welcome to visit Weco and the chapter.—Burton F. Scott.

Aurora Chapter

Our next meeting of the Aurora City of Lights Chapter of the Illinois Credit Union League will be May 18, 6:30 o'clock at the Community House, Sugar Grove, with a chicken dinner, entertainment and the guest speaker for the evening will be Mr. John Kelley, assistant managing director of the Illinois Credit Union League.

All credit unions in and around Aurora are invited to attend.

Arvel Douglas, Secretary.

Questions and Answers

QUESTION. Does the supervisory committee have the power to remove the treasurer from office?

ANSWER. The supervisory committee may suspend the treasurer temporarily and call the members together to act on such suspension. The members at the meeting may sustain the suspension and remove the treasurer permanently or may reinstate him.

QUESTION. If a member withdraws his entire share account is he still considered a member? May he retain his pass book and present it at a future date to make deposits to his share account?

ANSWER. a. When a member withdraws his entire share account he is no longer a member of the credit union. He must have at least a part of a share on deposit.

b. When a persons withdraws his share account the passbook should be destroyed or retained by the credit union.

QUESTION. After the election of directors at the annual meeting how soon should the board meet to elect officers?

ANSWER. Within ten days after the election of directors the directors must meet and elect officers and committee members from their own group.

President's Column

Dear Folks:

I wish it were possible for me to answer each one of the congratulatory messages I have received from so many of you within the last week. But because it isn't, I want to take this medium of thanking you all for them and for your assurances of continued support and loyalty to the credit union movement.

While I am very proud and happy to bring the presidency of the National Association to Illinois, I think that the honor is not a personal one but one to be shared by every credit union member in Illinois for the fine, unselfish way in which they have supported the credit union movement in our state and thus made possible one of the finest credit union developments in the country. I just happened to be the fellow who got pushed out in front, and if it hadn't been for the wholehearted support and the splendid teamwork of everyone this election would not have taken place. I feel sure that the national directors were desirous of conveying their appreciation of the work the credit union people in Illinois have done and took this means of expressing it. I again want to assure all of you that I will continue to do my level best to build up the credit union movement on the same sound basis we have been following.

Our new assistant managing director has been a very active and busy individual since the first day of April. It is evident that the folks are going to get a great deal of benefit out of the contact work John will be doing throughout the state. We are going to ask John to take a little space in the League News each month and give you a little story of his work in the field. Please don't hesitate to call on John to meet with your chapter or to meet with your board of directors and lend his assistance with any credit union problem you may have. It will be impossible for John to be in more than one place at the same time, but if you will give him as much time as possible, I am sure he will work out a schedule that will tie in with yours.

One of the most important things we have to ask of you this month is to fill out and return the questionnaire contained in the April BRIDGE. The return of these questionnaires filled out will do more to secure advertising for us than any other medium, and your cooperation in this respect will be much appreciated.

Cordially yours,
P. D. Holmes.

Woman's Corner

By DOROTHEA WEICHELT

HAVING SURVIVED, somehow, our annual spring blizzard, we can thankfully dig ourselves out and wait patiently for warm sunshine. We hate to admit it, but we secretly enjoy a blizzard—even if they are an inconvenience they're rather glorious and there's something rather pioneerish about having to climb out of the car and scrape ice and snow off the windshield every few blocks. And there's something rather beautiful about a lot of snow.

The other day as we were riding up Sheridan Road, we noticed General Sheridan riding his prancing iron steed. His silhouette was outlined heavily in thick snow and just as we passed the blizzard stopped and the sun came out with a bang, picking out the highlights and tinting his profile in rosy gold. It was gorgeous, and we couldn't help wishing we had Mr. Carson's camera to try to get a shot of it.

The thought of spring effects us as it does every other woman in the world—we want new clothes, and lots of them. Every store in the country plays upon this weakness, and newspapers and magazines are full of enticing ads for new clothes and new fabrics.

We read an article the other day about a new cloth made of milk—of all things. Somehow, milk seems like a very sleazy article of dress, but they tell me the cloth they make from it looks like wool and what a surprise it must be to a cow to know she's provided you with a new dress. Can you picture the family cat lapping up a wool scarf instead of a bowl of milk? And imagine leaving a note for the milkman for four yards of milk!

We also read about a new kind of synthetic cotton which has been developed from wood pulp. This fabric was produced in Germany, where almost everything you buy is a substitute for some item formerly imported from other countries, and things are never what they seem. We find it a little difficult to get used to the idea of wooden clothing, but they tell me it's wearable. So think twice, my friends, before you throw another log on the fire—you may be sending up in smoke a new dress.

Glass is another item being used for various fabrics. Carpets, draperies and upholstery fabrics are now made of glass! Apparently they haven't got to glass clothes yet, but we suspect it's only a question of time, and then what will the poor little sick worms do? They'll have to go on relief, I'm afraid.



Geo. F. Feller - Pres.
N. J. Pelletier - V.P.
V. S. Petersen
Man. Director

DIRECTORS

C. J. Ackerman
G. C. Doell
H. V. Mattson
C. J. Berry
H. L. Loughrey
G. W. Jacobson
A. S. Greisen
Geo. B. Schaus
M. F. Cushman
G. T. Kemmerling
Morton Lake
Dr. P. O. Solem
H. J. Swank
Andrew M. Olson
S. A. Stockwell
Honorary
Jack Smith

Annual Meeting Breaks the Record

THE LARGEST gathering of credit union members ever held in the United States was staged at the Minneapolis Municipal Auditorium Saturday night, May 7th. More than 1,300 members, representing 85 Minnesota credit unions, attended the banquet climaxing the two-day annual meeting of the Minnesota Credit Union League.

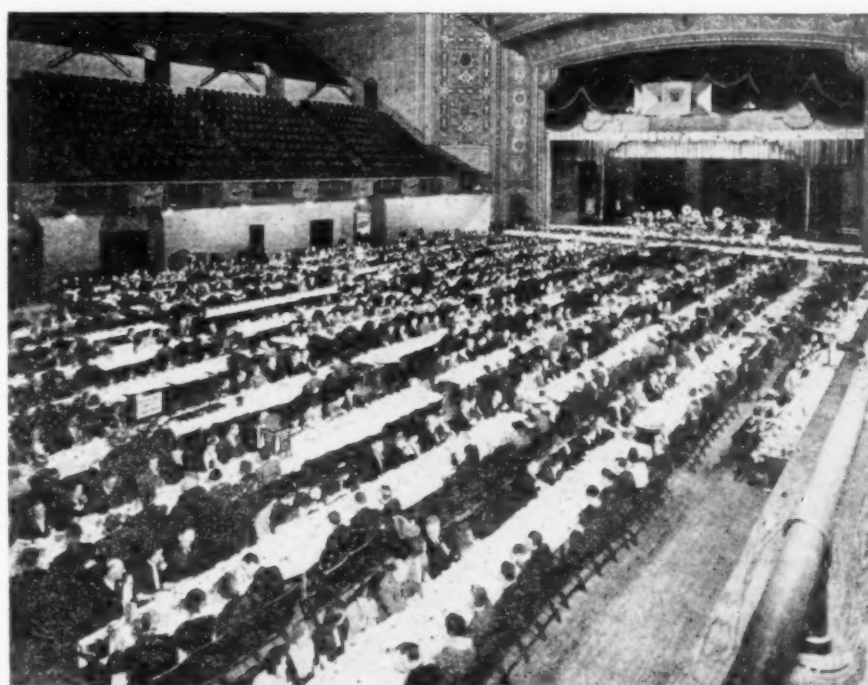
Speakers at the banquet included Governor Elmer A. Benson, Mayor George E. Leach, Postmaster John R. Coan, George F. Feller, president of the league; Charles G. Hyland and Clifford O. Skorstad of the Credit Union National Association, Madison, Wisconsin. V. S. Petersen, managing director of the Minnesota Credit Union League, acted as toastmaster.

Prominent among the guests were M. J. Rygh, assistant director of the Federal Credit Union Section, Washington, D. C.; George W. Boyd, field supervisor of the Federal Credit Union Section, Omaha; D. J. Fouquette of the Federal Housing Administration, Minneapolis; Gideon Edberg of the Northern States Cooperative League; F. A. Amundson and A. A. Wilcken of the Minnesota Banking Department; A. J. Veigel, former

commissioner of banks; Charles G. Hyland, Clifford O. Skorstad, Ralph Christy, Earl Rentfro, and B. F. Beales, all from the Credit Union National Association, Madison, Wisconsin; Jack Smith and Mary Chase

of Austin, Minnesota, whose pictures recently appeared in Look magazine in a feature article on the Hormal "Straight Time Plan"; Richard Berry, son of Charles Berry, treasurer

(Continued on page 4)



The Little Man's Column



Spring Means Growth

Let's Organize Credit Unions

"It's the everlasting teamwork of every bloomin' soul"—says Kipling. Can you think of any statement which more aptly describes the way *everyone* did their bit in order that the ninth annual meeting might be successful?

Yes sir, from start to finish there wasn't a single false note and the spirit of teamwork was the motivating force. It was the biggest day of my life under the old umbrella since I left old Boston. Here's to many, many happy returns of the day.

The fellow who said, "Give me the group of people who, instead of talking about what ought to be done, quietly go about the job," must have watched a credit union group. Where can you find a movement, doing as much as the credit unions are for the betterment of the economic condition of the average man, which is being developed with so little fan-fare and trumpet blowing? Just think of all of the "cure-alls" that have come and gone during the last few years. Let's continue to be as interested in getting our roots down deep as we are in spreading our branches—it's the slow, steady growth that brings forth the kings of the forest. The depth and spread of the root system determines the *height* of the giant redwood and the *strength* of the mighty oak.

I began writing this with the intention of spotting the highlights of the annual meeting and banquet from the angle of the personalities who made it so colorful. The first requirement to accomplish this was a list of those who contributed so freely of their time and energy. By the time the list was well under way I realized the fact that if proper and due credit was to be given we would have to print at least an eight page "DAWN" instead of four—it seems as though *everyone* helped in one way or another.

It was quite surprising to find the old umbrella so chuck full of credit union questions when that genial master of the microphone, "Mark Question," turned it upside down. Wasn't it fun to notice how much "at ease" the six witnesses were—does anything fluster Jack Smith?

Mayor Gehan of St. Paul was unable to attend our banquet but he wrote: "May I congratulate your organization on the splendid work you are doing. This sort of thing is not only a great aid to the members, but a very fine civic asset to the community." Thanks, Mayor Gehan.

The Minnesota members of The Founders Club were presented with a framed picture of Founder No. 1—Edward A. Filene—at the annual banquet. There are 25 members of the Founders Club in Minnesota. Anyone, who helps materially to organize a new credit union, is eligible to membership in the Founders Club. We need many more members in Minnesota. If you know of a group that need and want a credit union get in touch with the league office.

Why don't we get a few thousand of our credit union folks together for a "Community Sing-Fest" at the Auditorium some evening? With Eloise Rowan at the mighty Wurlitzer it could not help but be great fun.

(Continued on page 4)

A New Service

THE LEAGUE Credit Union has recently been licensed as a lending agency by the Federal Housing Administration, and is now prepared to make loans to members for the purchase and construction of homes, and for modernization and the refinancing of mortgages on existing home property.

It is impossible to explain all the details of the FHA plan in a short article. We can give here only a few of the principle features.

1. Small down payment (10 to 20%), and large percentage loan (80 to 90%).

2. Long repayment period (20 to 25 years), which makes refinancing unnecessary.

3. Reduction of principal by convenient monthly payments which include carrying charges and taxes.

4. Investment safeguards (insured loans) . . . homes are FHA appraised, plans approved, and construction inspected.

The applicant must have an assured income and a reasonable ability to repay the loan. Income of working members of a family may be pooled.

Under Title I, property improvement loans may be made up to \$2,500 for new structures such as small homes, garages, barns, farm and service buildings; and repayment may be over a period of not to exceed 7 years and 32 days. These are not insured mortgage loans.

Loans up to \$10,000 may be made for repairs and remodeling of existing structures, homes, farm buildings, business and apartment buildings, institutions, factories, etc., and such loans must be repaid within five years.

Title II, which is the insured mortgage system, is recommended for the use of members of the League Credit Union, for the construction of new homes and modernization of existing homes. It is possible to borrow under this plan as follows:

1. Appraised at \$6,000 or less. The down payment may be as low as 10%. The value of the lot is always included in evaluating the property. The home must be for owner-occupancy and approved for insured financing before construction is started. Carrying charges are 5% interest and one-fourth of 1% mortgage insurance premium on outstanding balances. Repayment may be made over a period of 25 years. Equal monthly payments—about like rent—include a portion of the principal,

interest, taxes, and other fixed charges.

2. Homes appraised at amounts up to \$10,000. Loans may be figured on the basis of 90% of the first \$6,000 of appraised value, and 80% of the remainder. In such cases the down payment is between 10 and 20%, depending on valuation. If the loan is for more than 80%, the home must be for owner-occupancy and approved before construction is started. The interest rate may be not more than 5%.

3. For loans in excess of \$10,000 and up to \$16,000, the FHA insurance premium is one-half of 1% based on outstanding balances. These loans may not be made in excess of 80% of the appraised value, and repayment may be made in a period of 20 years. The down payment may be as low as 20%. The greater the down payment, the smaller the monthly payments.

Existing mortgages may be refinanced under the FHA plan. Maximum loans may not exceed 80% of the appraised value, and repayment may be up to 20 years. Old second mortgages and the cost of needed modernization may be merged with the old first mortgage and completely replaced by the new FHA mortgage.

Under Title II it is also possible to refinance an existing duplex, triplex, or four-family, which has distinct dwelling units. Provisions are made also for multi-family and group housing.

All of these plans have the same aim: providing better homes for American families—at prices within their means. This aim is accomplished by insuring loans of private capital made on the new FHA terms. The FHA terms provide for low financing charges and long repayment periods.

Remember that if you decide to build a new home or refinance an existing mortgage under the FHA plan, by means of a loan from the League Credit Union, you will have this assurance. If after you have repaid part of the loan, you find it impossible to continue making your payments, and it becomes necessary for the League Credit Union, as the lending agency and mortgagor, to foreclose and take over the property, the League Credit Union will protect your interests in accordance with credit union principles. The League Credit Union will convey to the FHA the property acquired by foreclosure, for debentures covering the unpaid balance and all bills, including back

taxes, unpaid insurance, FHA mortgage premium, attorney's fees, etc. After the property has been sold, the FHA will return to the mortgagor any amount remaining from the sale of the property after satisfying all indebtedness. The League Credit Union may then exercise its option of returning the overage to you, the mortgagee. This, however, is not required by the Federal Housing Administration.

Remember that the Federal Housing Administration does not make the loan. The loan will be made by the League Credit Union, when it conforms to the rules and regulations of the Federal Housing Administration, is for the purpose of financing home ownership or modernization, and is eligible for insurance under the Mutual Mortgage Insurance provisions of the National Housing Act.

Your application for such a loan should be made to the League Credit Union, which will furnish you with the proper form. It should be accompanied by an appraisal fee of \$3.00 per \$1,000 of loan to be insured, the minimum fee to be \$10.00. This fee is returned to the applicant if from the face of the application the case is found to be ineligible for FHA insurance. However, if the case is processed and then determined to be ineligible, the fee cannot be returned. Nor is the fee returned if the applicant decides to withdraw his application after the case has been processed.

If you are a member of a credit union which does not write FHA loans, and you are not an officer of your credit union, you may yet take advantage of the FHA plan through the League Credit Union, by taking out a personal membership in the Minnesota Mutual Credit League, at a cost of \$1.00. Such membership will make you eligible to the FHA plan through a loan from the League Credit Union.

The Federal Housing Administration considers carefully the location selected by the applicant, the type of structure he proposes to build, and the ability of the applicant to pay. Plans of the proposed structure are required to be submitted with the application to the Federal Housing Administration.

The League Credit Union will be glad to explain the FHA insured mortgage system in terms of figures based on your own requirements and means, and will tell you how rent-like payments suited to your income can lead to secure home ownership.

The League Credit Union will have funds available for such loans almost immediately, and it is anticipated that many applications will be re-

Credit Union Members

This Coupon Is Worth \$.50 to
You If Used Before
July First

With it you can purchase a \$1.50 family season ticket to Golden Lake Farm for one dollar.

Take the children out to Golden Lake Farm for a picnic and swim as often as you please. If you have no children, you'll enjoy the facilities of the farm yourselves. Plenty of room—a fine beach—pony rides—boating, all in nice clean surroundings. Six miles northeast of New Brighton on highway No. 8.

CUNA CUBS: Bring your membership card and get one free pony ride.



Golden Lake Farm, New Brighton, Minnesota:

Enclosed please find \$1.00 for which send me a 1938 season ticket to Golden Lake Farm.

NAME _____

ADDRESS _____

CREDIT UNION _____

(Family season ticket is for children and parents residing at home)

ceived within a short time. This is just another added service which is being offered to members, and members should feel free to take advantage of this opportunity to establish themselves in owner-occupied homes.

Annual Meeting

(Continued from page 1)

of the City Hall Credit Union, Minneapolis, boy hero who recently saved two men from drowning.

The growth of the credit union movement was cited by Charles G. Hyland, the principal speaker, who stated: "Membership in the credit union movement is growing at the rate of nearly 12,000 a week, and now totals more than 2,000,000 in the United States, with assets of more than \$200,000,000; and there are now approximately 6,800 credit unions in the country. The growth will continue indefinitely because people are coming to realize that the credit union is a definite necessity in our economic situation."

Plans were announced for an office building to be erected at the National headquarters at Madison as a memorial to Edward A. Filene, philanthropist and the founder of the credit union movement in the United States, who died within the past year. Construction of this memorial is expected to be started within a year.

Entertainment features at the banquet were: the Pillsbury Flour Mills band, the Ladies Glee Club of the Highland Park American Legion, and Mark Question of "Umbrella Court" fame. The banquet was followed by dancing.

The Friday sessions of the annual meeting were in the nature of a school for instruction in credit union principles and practices. Roy F. Bergengren, managing director of the Credit Union National Association, and Earl Rentfro of the CUNA Mutual Society, spoke on national problems. Group meetings were held to discuss such problems as the work of the treasurer, the credit committee, the supervisory committee, the chapter, and credit unions in various groups.

The Saturday afternoon session consisted of committee reports, presentation of resolutions, and the members' meeting. At the members' meeting, five directors were elected to take the places of those whose terms had expired. George B. Schaus of the Swift South St. Paul Credit Union; Jack Smith of the Hormel Employees Credit Union, Austin; and H. L. Loughrey of the Omaha Railway General Office Credit Union, St. Paul, were elected as new di-

rectors; while Charles J. Berry of the City Hall Credit Union, Minneapolis, and George W. Jacobson of the Humanist Credit Union, were re-elected to succeed themselves. S. A. Stockwell of Minneapolis was made an honorary life member of the board of directors in recognition of his services in behalf of the movement.

V. S. Petersen, managing director of the Minnesota Credit Union League, reported 37 new credit unions organized in the state during the year, and 12 others now in process of organization.

There are now 285 credit unions in Minnesota, with more than 50,000 members and total assets of more than \$5,000,000.

Friendship

Don't flatter yourself that friendship authorizes you to say disagreeable things to your intimates. The nearer you come into relation with a person, the more necessary do tact and courtesy become. Except in cases of necessity, which are rare, leave your friend to learn unpleasant things from his enemies; they are ready enough to tell him.—Holmes.

Sad But True

We ran across a new definition of the word co-operate the other day tho "sad but true" we give it to you, we quote, "co-operate: Remember the banana; every time it leaves the bunch it gets skinned."

Woman's Place

"Although I objected to my wife's going to work again, she felt she must have something to occupy her time, so at last I consented."

"I had a hard time getting mine to hunt another job, too."

The Little Man's Column

(Continued from page 2)

Minneapolis Postal Employees Credit Union has a two-window set of fixtures for sale—\$100. If interested call Eddie Brose, treasurer.

Taken from the Hormel house organ—"THE SQUEEL"—"We received nation-wide publicity on the straight time plan following the calling to Washington as witnesses before a senate committee of J. C. Hormel, president of the company, and Roy Franklin and L. O. Jacobs, representing the union. The May 2nd issue of LOOK carried four full pages of pictures illustrating angles of the Hormel straight time plan."

One of the pictures was of Jack Smith, treasurer of Hormel Employees Credit Union, accepting a deposit made by Mary Chase. Nice going, Jack and Mary—be seein' you in the movies?

Yours 'til we get 'em all under the umbrella.

JOHN DOUGH.

League Credit Union

MONTHLY STATEMENT

April 30, 1938

Trial Balance

	Debits	Credits
Cash in Banks—\$	13,755.65	\$
Loans—		
Credit Unions -	47,895.00	
Personal -	52,732.76	
Real Estate -	9,089.20	
Furn. & Fixt. -	335.25	
Shares—		
Credit Unions -		79,036.87
Personal -		6,856.93
Deposits—		
Credit Unions -		34,167.36
Personal -		18.29
Entrance Fees		19.00
Reserve Fund -		1,123.62
Undiv. Earn. -		1,348.30

Total Balance sheet accts. ---	\$123,807.92	\$122,570.37
Interest -		2,435.76
Expense -	780.27	
Int. paid on dep. -	211.93	
Loan Pro. Ins. -	186.39	
S. S. Tax -	19.62	

Total profit & loss accts. ---	\$	1,198.21	\$	2,435.76
Grand total—				
all accts. ---	\$125,006.13	\$125,006.13		
Members—93 C. U.; 375 Per.				
Depositors—18 C. U.; 3 Per.				
Borrowers—32 C. U.; 304 Per.				

A. S. GRIESEN, Treasurer

Truly science is a wonderful thing. But a little paragraph we came across the other day made us wonder if it isn't possible to carry this research idea a little too far. This one told about a young man who is going about the country kissing girls as part of a serious study of the art of kissing. Well, that's a new one anyway, but even if it is in the interest of science, it still sounds a little fishy.

As a postscript, we cannot help but mention our meeting last month. We hope you all enjoyed it as much as we did. To us, it seemed the best yet, and we have been attending for four years and feel like a veteran. Judging from the pictures, you liked it too. Didn't we tell you last month it would be simply swell?

We know at least one of you shares our enthusiasm, for, riding on the street car a day later we noticed, written in pencil on the bottom of a card advertising a well known loan agency, the words, "Join the credit union—Whee!" Whoever you are (and we're sure you aren't Barron Collier), we heartily agree.

Illinois Credit Union League

FINANCIAL STATEMENT

April 30, 1938

ASSETS

Cash in Banks ---	\$14,972.67
Petty Cash -----	225.00
Accounts Rec. ---	10,028.64
Notes Rec. -----	4,000.00
Forms Inventory -	608.10
Furn. & Fixt. ----	75.00
Deferred Exp. ---	210.00
Def. CUNA Dues--	833.33

LIABILITIES

Total Assets --	\$30,952.74
Accounts Payable	914.74
Reserves	
Parcel P. Losses--	28.45
Taxes -----	27.03
Expenses -----	1,042.50
D. L. P. F. Claims	9,894.89
Contingent -----	2,000.00
1938 Dues -----	14,278.94
Legislative -----	800.00
Total Reserves	\$28,071.81
Surplus	
Balance 1-1-38 --	1,867.63
Added since 1-1-38	98.56
Total Surplus -	1,960.19
Total Liabilities	\$30,952.74

MAY, 1938

FOOD FOR THOUGHT

By RALPH G. LONG

"A little learning is not a dangerous thing if we know it is a little learning."—E. G. Hale.

* * *

Supervisory committees: It is my understanding some of these committees are lax in their duties. On every occasion after difficulties arose in the handling of funds by the treasurer it was discovered that the supervisory committee had not been auditing the affairs of the credit union as required by law. The law states that the books, etc., must be audited *every three months*; we find it best to do this *monthly*. It not only makes the job easier but keeps all thoroughly up-to-date. As a treasurer I welcomed this being done *monthly*!

* * *

"Good character is applied common sense; it implies the habit of living wisely."

* * *

Loans: It has been said credit unions were leaving the field on small size loans. On going into the question facts dispute this statement and as a sample, following shows analysis of one fairly old credit union:

67% of loans \$50 or less.

11.6% of loans over \$50.00 and less than \$100.

11.1% of loans over \$100 and less than \$200.

11.3% of loans over \$200.

Looks like we are still servicing the primary needs. Send me the percentages of your credit unions.

* * *

"Words mean little; what we do means much."

* * *

Life Savings Insurance: For each dollar I save, up to \$1000, my credit union sees that, in case of death, another dollar is paid to my beneficiary; in other words, if my share account totals \$100 it really means \$200. Another view—suppose you and I were to decide which we would rather have, figuring each of us had \$100 in our share account and 85% of us have less than that, a 6% dividend of \$6, or a 5% dividend and an additional \$100 in event of death? Which would our wife choose? Ask her!

Some directors feel that the large share holder, those with \$2000, \$3000, etc., would object to the smaller dividend. Surely not if for no other reason than no other financial institution to the best of my knowledge

is paying more than 5%; keeping in mind soundness. Further, it is very probable that in due time experience will indicate that the \$1000 limit on life savings insurance may be raised.

It has also been suggested that a good policy for credit unions to adopt would be to limit individuals share accounts to say \$1500. That the large share accounts in case of withdrawals retards service to members; I can not, as yet, subscribe to this school of thinking but recent events lead me to believe it has considerable merit.

* * *

"The mania for bigness is the reason for the undoing of countless American business men" so one item reads. *We of the credit union should note this well!*

* * *

Surplus funds: In explaining why his credit union had quite a large sum of money on hand, one director said many of the members had bank credit and used same. In other words, these members had substantial share accounts on which they received a fine dividend from the credit union but when borrowing they used the bank.

To say the least this seems extremely inconsistent. Does the bank insure their loan? How is it made possible for them to receive a good dividend on their savings? By all the members borrowing from a bank? Again if it is a case of dollars and cents, credit union philosophy and practical results to fellow workers be-damned, truly they should place their money in the financial institution from which they borrow.

That is not credit union thinking and it was not such individuals who have assisted in bringing into being and operation the 7000 credit unions of today in this country. Surely the great potentialities for economic good developing from the credit unions for the American folks, with considerable acceleration each day, has not been called to their attention. Perhaps they do not care, should such be the case, it is regrettable; only time will demonstrate to them. However, to be a part of a tremendous force for good; such vibrant, practical and tangible, as well as a proven workable, instrument, ought to create with them an irresistible urge to be a firm believer and considerable supporter in their own credit union.

"Getting people out of trouble is a job we are happy to leave to the lawyers." Whoever wrote these words knows little or nothing of credit unions and their daily endeavors.

* * *

"Why I Believe In the Credit Union," by Joseph DeRamus: This article appeared on page 14 of the March issue of the BRIDGE. I suggest, in all seriousness, that every director thoroughly study same. Further, that if it is at all possible that mimeograph copies be made of it and placed in the hands of every member as well as potential members. This is the crux, the true meaning of the direction and end to which our energies must be expended. Pound home such thinking as certainly Joe hits square on the head the whole idea! Re-read this article and apply its teaching within your credit unions; it will be the gainer!

* * *

"A bookless house is a poorly furnished one."—Kathleen Mahon.

* * *

Congratulations Illinois Central Credit Union of Clinton; Each month Messrs. W. K. Groves and Earl McCadden (treasurer) edit and publish a small pamphlet on credit union activities, distributing same to all employees on the Springfield division. The April issue covers, and uniquely so, in detail, the annual meeting of the league. The financial statement indicates steady growth from applied effort. The group always is well represented at the Central Chapter. We like them.

Recommendations By Barrett

REPORTS OF recent examinations indicate that in certain credit unions, particularly those recently organized, no formal record is kept of the names of persons elected to membership.

Section 4 of the Illinois Credit Union Act prescribes that membership shall be limited to the group for which the credit union is organized and shall consist of the original incorporators who shall each have paid for one share in full, together with the entrance fee, and such other persons as may have been elected by the directors, and subscribe to at least one share, pay the initial installment thereon and the entrance fee.

While the financial records will show the names of the persons who

have paid entrance fees and who have balances in their share accounts and also the amount of such share balances, this information by itself does not prove conclusively that the persons having such share balances are members of the credit union.

Therefore, the minutes should contain a record of the names of all persons admitted to membership by the directors. This information, together with the data included in the financial records, will then provide a satisfactory and legal proof of membership.

Look Out and Live

THE OTHER night a car load of credit union members were returning home from a bowling tournament. The car became unmanageable on a slippery street and struck an abutment of an overhead bridge, head on. The net result was that four were killed and the CUNA Mutual Society paid two claims.

Advice is like money, "Easy come, easy go," and I have little of either. But a practical problem presents itself as we watch the claim barometer rise rapidly at a time of the year that all of us should be filled with the joy of living.

From a personal standpoint a life needlessly lost means a life robbed of fulfillment, heartbroken dependents and painful economic adjustments which could be avoided. Responsibility cannot be escaped by attributing such losses to accidents. In the last analysis there is no such thing as an accident except as the old rule of "cause and effect" may be applied. We may as well take the problem home with us and quit alibing with "I'm all right, but the other driver is all wrong."

Can not all of us do something to help eliminate death and injury due to operating automobiles?

* * *

Don't be a motorist who has his "Be Careful" sign on the rear bumper for others to see instead of on the steering wheel where he can see it himself.

* * *

Like a sentry on duty the credit union is always on guard, protecting its members against every financial emergency. With the league, the sentry is equipped with all modern, streamlined implements of defense; without the league, it has only an antiquated shield and broad sword.

—Earl Rentfro

ICUL Credit Union

THE ICUL Credit Union is continuing to show a steady growth. For the first time in the memory of the treasurer, there is sufficient cash on hand to take care of loans without it being necessary to ask the borrower to wait for an indefinite period of time before he can get his loan.

However, the above does not mean that the ICUL Credit Union does not need additional members and additional savings. Any director, officer, or committee member of a credit union affiliated with the Illinois Credit Union League, is invited and urged to become a member of the credit union. Our loan demand is always very heavy and will doubtless increase with the vacation season on the way.

Don't overlook the new benefit available to savers in the ICUL Credit Union—SHARE INSURANCE. Under this plan, each member's share account is insured and in the event of his death, his heirs receive a corresponding amount from the CUNA Mutual Society. The limit of insurance is \$1,000. The credit union, of course, also uses the loan protection insurance, which costs the borrower nothing. The motto of the ICUL Credit Union is "More Service to the Borrower at the Least Possible Cost."

You will note from the statement of the condition of the credit union as of April 30, 1938, as given below, that the assets have increased some \$9,000 since last month, and that we now have well over 500 members. This is encouraging news but we hope that the next month will show an even larger increase, especially in the number of new members.

The statement of the condition of the credit union as of April 30th is as follows:

Cash	\$ 4,007.71
Petty Cash	25.00
Loans	59,146.51
Furniture and Fixtures	130.79
Exchange	9.19
Expense	287.75
Dep. on Furniture and Fixt.	10.00
Interest on loans	114.18
Life Savings Insurance	54.87
B. P. I. Premiums	144.46
Office Supplies and Expense	32.38
Postage	30.25
Salaries	154.00
Total	\$64,147.09
Shares	\$51,548.21
Notes Payable	9,950.00
Entry Fees	36.50
Reserve Fund	523.93
Undivided Earnings	382.71
Reserve for Social Sec.46
Interest	1,705.28
Total	\$64,147.09

COMMENTS

Manager working with credit committee generally desirable. Supervisory committee should check on manager and credit union books regularly every three months, every month still better.

PROBLEMS

8. Should manager accept new members or make loans to these new members before vote by directors?

9. How can directors aid manager and credit committee in making loans?

10. How should directors handle defaults?

COMMENTS

Except in emergency, directors should approve new members. Credit committee should follow up loans after approval. Defaults should be reported to credit committee by manager immediately, credit committee in turn handles and works out arrangements with borrowing members. Keeps credit committee and borrowing members in continuous and direct contact.

PROBLEMS

11. Should directors provide a circulating library of credit union books and pamphlets for members? How handled?

COMMENTS

Directors are justified in spending moderate and reasonable amounts of earnings for "BRIDGE," credit union books, pamphlets, and travel expense of delegates.

GENERAL POINTS BROUGHT OUT

1. Every credit union officer and committee must be responsible for spreading and building credit union movement.

2. Good practice is to re-read periodically your charter, laws, and by-laws, regulations, etc., as effects your credit union operation.

3. Directors should consider carefully the advisability of insuring all loans.

4. Directors should aid credit committee in working out convenient arrangements of payments at times of unemployment, serious illness, etc. Even small amount paid regularly keeps loan alive. Should do more to aid members in problems of money management.

5. Can credit union managers and directors help members to market "doubtful or unknown value" stocks or bonds resting quietly in some corner of the household, and encourage the investment of funds realized from these doubtful securities in shares in the credit union?

Problems of the Treasurer

By CLARENCE HOWELL

Detroit Teachers Credit Union

To be sure that the treasurers were in attendance at the annual meeting of the league, it was only necessary to look into the Edison Room while the problems of the treasurer were under discussion. One needed to stay only a very short time to discover that these treasurers have their problems.

The chairman opened the discussion with the suggestion that all problems of the credit union are problems of the treasurer and the incompetence of the treasurer is the greatest problem of the credit union. The importance of the role which the treasurer plays in this respect is due to his position as general manager of the organization with the fact that he is frequently the only paid employee of the credit union. It was suggested that treasurers who have not had business training would find their work made a lot easier if they would take up a little study of accounting and of business law. It was suggested that books along these two lines are available in the public libraries although some treasurers will undoubtedly want to own such books themselves and have them for reference. The credit union might well purchase one or two such books for the treasurer. He will also get a great deal of benefit from the reading of "CUNA Emerges" and the "BRIDGE." "CUNA Emerges" is really the text book of the credit union organization.

Some of the topics discussed had to do with keeping the records, purchasing supplies, interesting capital, getting borrowers, making investments, and making contact with the credit and supervisory committee and the board of directors: also contact with the employer, the state league and other credit unions, borrowing money, establishing policies, purchasing equipment, and individual problems which were raised by members of the group.

It was brought out that while the treasurer does not make investments he should be as well informed on the subject as any member of the board. If investments are to be made he should be in position to advise. Experience has shown that the greatest losses to credit unions were due to closing of banks and the depreciation of investments. For this reason it is suggested that treasurers try to build up the borrowing membership so as to avoid outside investments.

Discussion revealed a wide range in the responsibility assumed by treasurers in connection with mak-

ing loans. It seems advisable for treasurers to study their credit committee in order to know the basis on which the committee will approve loans, and, if the purpose of the loan is legitimate, to try to set up the application and security on such a basis that the committee will approve. It was felt that if the treasurer was paid he ought to assume, so far as possible, the burdens of the organization. If he is unpaid than his ordinary duties will impose much greater responsibility than rests upon any other member of the board and he would be justified in expecting the other members of the board and the committees to carry the maximum of the responsibility consistent with their position.

Mr. Ross I. Hudson, one of the examiners connected with the state banking department, was present in the meeting and assisted in answering quite a number of questions which were referred to him. He left with the treasurers the impression that the banking department desires to cooperate with the credit unions in the accomplishment of the purposes for which they exist.

Problems of the Supervisory Committee

By C. O. VISSCHER

Leonard Grand Rapids Federal Credit Union

Often problems are local more than national and, although most rules and regulations cover all credit unions, each individual credit union has its specific problems. For instance, industrial credit unions combating with labor turn-over and layoffs need assistance. The problem of keeping in office well qualified officers confronts all of us.

Much interest was shown in obtaining closer cooperation through committee work, emphasizing the fact that committee members should attend directors meetings, also chapter and league meetings whenever possible, thereby better serving and assisting other committees and their credit unions as well as the credit union movement as a whole. With this close contact we will build more and stronger credit unions, not for the survival of the fittest but for the survival of us all, realizing that the chain is no stronger than its weakest link.

The idea of systematic saving for which credit unions were organized was much discussed. Credit unions should employ such means as may be at their disposal, payroll deduction, etc.

Factory management support be sought; both moral and financial.

By moral support we mean the allowance of posters on bill boards throughout the plants, meetings, and advertising, etc. By financial support we mean the time of a treasurer, office space, light, heat, and telephone where possible. Also creating a more homelike atmosphere and not too much hard-boiled philosophy.

Bank balances were discussed. There is danger that too small a bank balance will be detrimental to business. In such cases credit unions should avail themselves of the league credit union rather than allow this to happen. Too large a bank balance on the other hand is unprofitable both for the credit union and the investors.

Advertising for loans among employees is a good method of investing surplus funds. More businesses thrive on advertising. Credit unions should follow this same policy, especially through their members, thereby getting new members. Talking it up will eventually build it up. Propagating good fellowship is very essential to the welfare of credit unions.

Treasurers bonds came up for discussion and as per recommendation of the Farm Credit Administration and the April issue of The "BRIDGE," one thousand dollars for each five thousand dollars in assets was held as ample security for the credit union.

Treasurer's reports to supervisory committee as well as board of directors was held advisable, most such committees meeting or audit quarterly not being considered sufficient protection as too much can happen in 90 days. Bank reconcilements came up as being a necessary item for supervisory committee to audit monthly instead of quarterly as is done in many places thereby securing a closer contact between the supervisory committee and the treasurer.

The services of the credit union league were highly praised and should be more generally utilized the discussion disclosed.

Prompt paying of all bills by credit unions was held essential for credit unions themselves to establish credit, especially with the league. Social security, old age pension, unemployment insurance can all be summed up in systematic saving in a well organized, well conducted and well supervised credit union.

All committee members and board members to be vitally interested should be financially interested as well.

A spirit of true friendliness and courtesy prevailed at all the meetings, and we hope to attend many more like it in the future.

Howell Elected CUNA Vice President

MESSRS. CLARENCE HOWELL, Frank Thornton and Karl Guenther represented the Michigan Credit Union League as Directors at the annual meeting of the board of directors of the Credit Union National Association at Madison, Wisconsin, on April 8 and 9. Among the many interesting developments, which will be reported in a subsequent issue of the "News," was the action taken by the board in dividing the United States into six districts, each of which is henceforth to nominate, as a district, a vice-president of CUNA. These with the other officers constitute the executive committee of the National Association.

Michigan, Indiana, Illinois and Wisconsin, which states contain more credit unions than any other district, are placed in the central district. Junior members of the Michigan delegation proposed Mr. Clarence Howell as vice-president of the district, and as a result of his subsequent election the credit unions in this area are assured of competent, fair minded and experienced representation upon the important executive committee of the National Association.

Our district was especially honored in that Mr. Presley Holmes, president of the great Illinois Credit Union League, was elected as president of the National Association. Many of our people will recall with pleasure that Pres Holmes was an honored guest of our own league at our meeting in Detroit in April. The league wishes for Clarence Howell, Pres Holmes and the other members of the executive committee much success in the important deliberations and labors which they will carry on throughout the coming year, and we express our confidence that their work will be well done.

Warning To Faulty Credit Unions

MR. H. O. WELLS, veteran banking examiner, has been assigned by the state banking department to work during the immediate future practically exclusively with credit unions. Mr. Wells first assignment is to examine a list of about fifty credit unions in regard to which examiners in 1937 found it possible to make rather extensive criticisms. Among these criticisms were the following:

Loans made to officers beyond the extent of their share holdings.

Loans made to individuals who were not members of credit unions.

Records being improperly kept.

Treasurers not bonded.

Credit unions showing no evidence of growth in membership and assets.

Directors and committee members not having regular meetings.

Delinquent and unexcused loans.

It will be Mr. Wells task to determine whether or not these faults have been corrected. If they have not been corrected the department will be forced to consider what action to take under the circumstances. Mr. Wells has reported that some of the credit unions that were on this original list of credit unions following questionable practices have already markedly improved their procedure. Mr. Wells has also observed that there is a noticeable tendency for credit unions that are members of the league to follow better practices as a result of the educational influence to which they are subjected than do non-member credit unions.

It is hoped that by assigning someone especially to credit union work a much better system of supervision and much better understanding between the credit unions and the banking department will result. This is an objective toward which the league has worked for some time. The matter of a special credit union investigator had already been discussed with the department during the administration of Commissioner Fisher. On April 2 of this year the league wrote to Commissioner Macauley as follows:

"... This is to elaborate somewhat upon the suggestion to have men especially assigned for credit union work. That policy has much to recommend it, particularly if the people assigned to that work are not only technically competent but are also individuals who have manifested a sympathetic as well as a conscientious attitude toward their work in connection with credit unions..."

The league believes that Mr. Wells possesses the qualifications described above, and we urge all of our members to work wholeheartedly with him. The league wishes Mr. Wells much success and pleasure in his work, and desires to extend every possible aid to him in order that the banking department, which has the legal responsibility for the supervision of credit unions, may share with the league the credit for insuring in Michigan a goodly array of sound, properly managed credit unions rendering services of maximum value to their members.

News of the Chapters

St. Joseph

By W. D. BRACKEN

THE APRIL meeting of the St. Joseph Chapter of Credit Unions was well attended. Seventy-five members of credit unions attended the dinner at the Hotel Robidoux and an additional number was present at the business session. The visitors from out of the city included: Russell Maloney, commissioner of securities; Fred A. Sheppard, deputy commissioner; and John A. Garnett, credit union examiner, of Jefferson City, and Ben F. Hillebrandt, Miss Betty Corliss and Mrs. Freda Atkinson, of Kansas City.

Much of the time of the meeting was consumed by the addresses of Mr. Maloney, Mr. Sheppard and Mr. Hillebrandt. Mr. Maloney assured us that the department of securities was anxious to assist the credit union movement in every way possible. He stated that prior to the origin of the credit unions in Missouri that it was difficult for the average man to obtain the necessary credit essential for his needs in time of stress, and that the credit union had opened a ready channel through which he is able to obtain short time loans from his own organization at reasonable rates of interest, payable in monthly installments as his income is received.

Mr. Sheppard explained the operation of the credit union law and showed why it is very essential for the credit unions to comply with the terms of this law in order to operate successfully. He emphasized the importance of the supervisory committee functioning effectively. He said, in part, that it is the duty of this committee to see that the payments on the loans are met in accordance with the contract and to see that the members of the board of directors and the credit committee give the proper attention to their work. If any of these members fail to perform their respective duties, then they should be asked to resign and others should be elected to these positions who will give close attention to this work. The failure of any credit union to operate effectively can be charged to this committee not giving sufficient attention to its supervisory duties. The losses that have occurred in any credit union have generally been caused through the inactivity of this committee.

Mr. Sheppard spent some time in answering questions of those in at-

tendance at the meeting. He stated that the credit unions must not permit loans to become delinquent; that such continued delinquency on the part of a borrower would necessitate the department asking that the debt be charged off as a bad loan.

Mr. Hillebrandt spoke of the work of the National Association, and he urged each reader of the BRIDGE to fill out the questionnaire contained in the last issue and return it to National headquarters. He explained that the BRIDGE is now operating at a loss and that it is very imperative that additional advertising be obtained to make up for this deficit. The return of 25% of these questionnaires should materially assist the BRIDGE in obtaining the necessary advertisements to enable it to operate without a loss, since business firms want to know just how widely it is read before they are willing to invest in advertising therein. Mr. Hillebrandt also urged the members of the Missouri Mutual Credit League to send in their dues as soon as possible or at least advise the league whether the membership will be continued, so that the income for the present year may be determined.

Under the supervision of S. D. Alexander, treasurer, St. Joseph Postal Credit Union, the employees of the Blue Valley Creamery recently held a meeting for the purpose of organizing a credit union. There were sixty persons in attendance, and during the meeting an application for a charter was filled out and the majority of those present signified their intentions of becoming members as soon as the credit union is organized. The enthusiasm shown at this meeting gives evidence of the successful organization of another credit union in St. Joseph as soon as the charter is received from Jefferson City. B. F. Weddle, treasurer of the newly organized Wyeth Hardware Credit Union, and W. D. Bracken, treasurer, St. Joseph Teachers' Credit Union, explained the operation of their respective credit unions to the group.

Kansas City

The meeting of the Kansas City Chapter was held this month on the 25th at the Hotel Baltimore. About thirty persons sat down to a nicely served dinner. Following the usual fun and foolishness that generally livens up such dinners, we went to the Blue Room which our president, Mr. Viets, has christened "The Cred-

it Union Blue Room," as we have had the good fortune to nearly fill it of late at each meeting. Here we met with as many more of our folks who came after the dinner.

For entertainment, and in the interest of thrift, wherever it is to be found, we had an interesting message in the form of colored slides accompanied by a record or two which gave us in a new and novel way the old, old story of what happens to the one who does not learn to save, at least something, from each dollar he earns. This lecture was entitled "The Blind Spot of Science."

Mr. Pinkney then gave a resume of his recent trip to the national board meeting in Madison, Wisconsin. He was full of news and interest in the doings at Madison and we became thrilled at the fine prospect of a new national headquarters. We were also sorry and shocked to learn of the fire at Raiffeisen House and all agree that we should have a fire-proof building to house our valuable records.

The idea of a Filene Memorial—one in stone, seemed interesting and fitting to us. Of course, we know that the existing credit unions and the thousands of persons who in times past have been helped through the credit unions, will always continue to be the greatest living memorial to Mr. Filene that can ever be. It is only natural and customary to erect something of marble or stone as a public tribute to so great a man as he. We know this will be accomplished if we undertake it in the usual credit union style. Something useful as this house will forever be, is a lasting symbol of unselfishness and brotherly love, and a steady reminder that man is still his brother's keeper.

Spring is in the air here and someone suggests that we put on a large spring party or dinner dance at one of our beautiful country clubs. The plan met with enthusiasm and when it gets under way a little more, we will boast about that, too.

The chapter donated a draw prize and as Mrs. Pinkney held the lucky number she received an electric clock.

As we go to press we again express our desire and purpose to help buy the proposed brick or bricks for the new Filene House and to do our utmost to see that all questionnaires are returned, and keep the BRIDGE afloat.

Southeast Missouri

By REV. H. J. EGGERMAN

At the Southeast Missouri chapter meeting on March 20th, Fred A. Sheppard, deputy commissioner, dwelt upon the necessity of recording charters and stated that, legally, no credit union had existence until the charter was actually recorded. There may, of course, be some misunderstanding because the law reads the charter is to be filed. Regardless of the legal phase, a New Hamburg representative pointed out later there is great danger in filing. New Hamburg had been on the list of those who, before an official interpretation was made, had merely filed their charter. They had been rather slow in complying to the interpretation. When finally they did so, they came just in the nick of time since the files were being cleaned out and found their charter in the waste basket. Another day and they would have been obliged to take the matter up with the state department.

Mr. Sheppard further stressed that no credit union should pay more than 6% dividend. He pointed to various investigations in a general way and said, "We in the department see the progress you are making. You are indeed making numerous friends, but you are also making bitter and determined enemies." Sappientisat!

Another matter is to keep books at a safe and available place, so that in case of accident they will not be destroyed. This, of course, applies with special force to valuable papers, notes, collateral, etc. They should be easily available so that when the examiner comes he need not lose valuable time searching the country or the fields for the secretary. Of course, they must be under lock and key, so no unauthorized person can get at them. Finally, he emphasized the power and responsibility of the supervisory board and stated that when something goes wrong the supervisory committee is responsible.

Mr. Barhorst, himself a banker, but also an enthusiastic credit unionist and credit union promoter, gave a graphical account of the change of front on the part of bankers in their attitude toward the credit union movement. From an attitude of hostility they have changed to one of sympathy and even enthusiasm. He was one of the first credit unionists in Missouri and was regarded by brother bankers as a communist, nihilist, socialist, revolutionist, visionary, idealist, dreamer, anything but practical. All this is now changed. Now he is regarded

as having been more far-sighted. He further spoke of the possibility of the legalization of central avocational or group banks. This, of course, is to some extent already possible by the Missouri State Credit Union. However, he said that these groups would have more cohesion, would be more closely united by ties of mutual interest and thus be of greater service. Eventually they would contribute enormously to the growth of the Missouri State Credit Union.

He further reiterated and emphasized the points brought out by Mr. Sheppard and stated the Central Verein was contemplating the sending out of trained men to the parish credit unions in order to instruct the managers in the proper way of keeping the books and making out statements, thus lightening the burden of the examiner at least for this group.

A subject that brought about quite a bit of general and spirited discussion, was proposed by Mr. Geo. T. Alt of Cape Girardeau. Quite a few parish credit unions have all their capital lent out and a waiting list of borrowers. How can these help their members in the matter of hospitalization. Credit unions that have money on hand can, of course, lend their members the necessary money. But sickness and death do not await the convenience of man.

Some hospitals demand a cash deposit. At any rate there is the later bill. On the part of the hospital the cost of collectors and perhaps a writing off or ascribing to charity a bill which they expected to collect, with consequent loss. How can both the member and the hospital be helped by the credit union that has not sufficient funds. The mutual credit union suggests itself. But even here a credit union might borrow to its limit and still not be able to help all or it might be averse to lending a particular individual the amount needed for very good reasons. And yet it could help both hospital and member. It could act as a collection agency for the hospital, without charge, thus helping to collect what perhaps it was afraid to lend, in the case of one to whom the credit committee would not, for good reason, extend so much credit, or in the case of one whose credit was good, but the credit union had insufficient funds, could even recommend him and later see to the collection. This was merely an idea of service and the president brought the discussion to an end, after having ascertained its legality as a credit union activity from Mr. Sheppard, by referring it to the individual credit union for their own individual consideration and action.

Carthage

As many of you will recall Carthage was the host city for the Missouri Mutual Credit League state convention in January, 1937. You who attended the convention did not get to see our city at its best, but were you here now you would see some of its real beauty. To you all we extend a cordial invitation to visit our city, which is truly the gateway to the Ozarks at the crossroads of America.

At this writing, I would like to take you for a visit to our new Municipal Park. Just west of our city, a few years ago, was a plot of ground covered with scrub oak and rocks, not a very sightly spot but today it is truly a beautiful park.

This park covers 120 acres of ground. Entering the park, through a fine stone entrance, one is at once attracted by its beauty. On the right the carefully clipped greens of a nine hole golf course greets the eye and many claim it to be the finest course in the district. Traveling south, we notice, to our left the tennis courts and the swimming pool and bath house. The pool is outstanding in many ways. It is fed by water from deep wells. The water is crystal clear and treated with the latest discoveries of protective sanitation. Our pool is illuminated by underwater flood lights, which adds to its beauty as well as to its safety. The bath house is built of Carthage stone and is modern and up-to-date in all its equipment. Just south of the pool is a dance pavilion which is 80 feet wide by 200 feet long and is built of native stone with frame superstructure. Shelter houses have been built at various places with many fireplaces nearby for picnics and parties. These facilities are available to all free of charge and are enjoyed by hundreds of people each year. This park is fast becoming known for its beauty.

Carthage is justly proud of the new park and we extend to everybody a most cordial invitation to visit it when in our city.

This park shows the fine spirit that abounds in our fair city and that same spirit is shown among the members of all of the credit unions belonging to the Carthage Chapter.

Increased Use of Aluminum

PITTSBURGH—Commercial uses for the lightweight metal, aluminum, have increased to more than 2,000 in 1938 from less than 200 in 1918, as a result of a gradual reduction in price and intensive research during the last twenty years.

drinks, telephone calls, theater admissions and numerous other things. The tax is collected either directly or indirectly at the time the article or commodity is purchased.

If government expenses continue at the rate set during the last five years, the poor will continue to be soaked. We must pay all the cost of government by taxes and also pay the interest on the 20 billions borrowed during the last five years, for we cannot go on borrowing indefinitely. Sure the rich will be soaked also, but Mr. Flynn recently in *Commentator*: "That if the government confiscated by taxation all incomes over \$25,000 a year it still would be \$600,000,000 short of its expenditures."

Therefore, the poor must continue to be soaked whether they like it or not. However, wouldn't it be more democratic if the poor were conscious of the amount taken. They then would be more exacting as to what we are getting for our money.

Outagamie County Chapter

THE REGULAR meeting of the Outagamie County Chapter was held at the Appleton Senior High School on April 18th, with the Appleton Postal Credit Union as host.

President Kahler reported on information he had received relative to transportation to the Wisconsin State League Convention.

The question of credit unions loaning to credit unions was then discussed, and it was decided that each member credit union of the Outagamie Chapter take this matter up at the next board meeting and report the decision reached at the next chapter meeting.

The president then introduced Mr. Swanson who spoke on his vacation experiences in Alaska. His talk was supplemented by moving pictures of his trip.

The next meeting of the chapter will be held in May with the Center Valley Credit Union as host.

After the business meeting was adjourned, the Appleton Postal Credit Union served a delicious lunch that was enjoyed by all present.

Margaret Hinzman, Sec'y.

Water Supply

DETROIT—Water produced by the autos in this country in the form of vapor from the exhaust annually amounts to 17½ billion gallons, or enough to fill a canal 25 feet wide and 6 feet deep running between New York and San Francisco.

Banking Department Notes

Interest Rates

THE ITEM we desire to discuss in this month's BRIDGE has to do with interest rates charged the borrower. As you know, the statutes limit the rate to 1% per month on the unpaid balance. There has been considerable discussion regarding the reduction or adjustment of interest rates.

We believe the officers, directors and members of a credit union should give this matter serious consideration before a reduction is made, because you are placed in the position of a trust officer handling the funds of your fellow members and workmen and you must use every means of safeguarding the money which has been entrusted to you. In order to do this, you must have efficient officers and clerks in charge of the organization to handle the funds, books and records. Therefore, it behooves a credit union to reimburse the treasurer substantially for his services and when a credit union becomes of any size additional clerks should be employed and their salaries paid by the credit union itself.

Guaranty Fund

Another thing to be given your consideration is the building up of the guaranty fund. This fund is to be used in case of loss in connection with loans and should be of a sufficient size to take care of any losses you may have on your books at the present time or which may occur in the future. In going over the reports of our examiners and the annual reports filed December 31st last, we find the guaranty funds small in proportion to the number of loans outstanding. These things should be taken into consideration and should be adjusted to the benefit of the organization and its members before any thought is given to the reduction of interest rates.

We do not think any credit union should pay a dividend in excess of 6%, and it would be much better if the dividend were reduced to 4% or 5% and the balance of the earnings used to stabilize your credit union. We, therefore, urge that you give these matters your serious consideration.

State Banking Department
Clyde P. Diggles, Supervisor

'Round the Office

THE OFFICE is buzzing with excitement over preparation for the convention. The officers are postponing outside activities and spending most of their evenings at the league office giving serious thought to plans for making this convention interesting, educational and enjoyable. From reports and correspondence received, this year's convention will be the largest the league has ever held.

The various committees are willingly participating in the work which is necessary to bring about a successful convention. George Martins, chairman of the transportation committee, has been able to arrange for a special train which leaves Milwaukee for La Crosse on Friday evening, May 20. At the present time we have more than one hundred thirty reservations for the special train.

On April 23 the auditing committee, consisting of R. G. Hawley, of the Oilgear Credit Union, Milwaukee; Everett L. Nelson of Waukesha Federal Credit Union, Waukesha; and A. P. Hahn of Theatrical Employees Credit Union, Kenosha, met to audit the books of the treasurer.

The budget committee, consisting of Floyd Fuller of Cudahy Brothers Credit Union, Cudahy; Edward Pfeiffer of Belle City Credit Union, Racine; C. D. Barrand of Yates-American Credit Union, Beloit; A. F. Sheeley of Globe Union Credit Union, Milwaukee; and Fred Krammer of La Crosse Municipal Credit Union, La Crosse, met on April 30 and prepared the budget for the ensuing year.

A welcome addition to the personnel of the state league office is Miss Marion Stingl, who is assisting with the work necessitated by the preparations for the convention.

A frequent visitor the past month is Miss Mabel Haas of the Wisconsin Ice and Coal Credit Union, who by the way is responsible for the attractive flyers which accompanied local letters regarding the special train to La Crosse.

We are always glad to see both old and new faces at the league office and take this opportunity to invite credit union people to make personal calls. Some of the visitors during the past month included Charles Hyland of the state banking department; Donald Mohn of the State Teachers College Credit Union, Milwaukee; F. Kriwitsch of Red Crown Credit Union, Milwaukee; G. A. Gehrke of Waco Credit Union, Mil-

waukee; U. Gobbi, Treasurer of the Johnson Box Credit Union, Milwaukee; John Saler of Automatic Products Credit Union, Milwaukee; Bess Poole, treasurer of Holy Redeemer Credit Union, Milwaukee; R. Nelson, treasurer of Wisconsin Cold Storage Credit Union, Milwaukee;

Oscar Roitblatt, treasurer of the Jewish Folk Credit Union, Milwaukee; Milton Gess of Milwaukee Steel Credit Union; H. W. Hutchinson, treasurer of the Veterans Administration Credit Union, Wood; Miss Loretta Dolan of Yellow Cab Credit Union, Milwaukee; Edward Wagner, treasurer of the St. Elizabeth Credit Union; John M. Zach, M. A. Fenske, J. A. Hammond of St. Elizabeth Credit Union, Milwaukee; Elmer Sherrer, treasurer of St. Boniface Credit Union, Milwaukee; D. B. Glasenapp, treasurer of N. E. C. A. Credit Union, Milwaukee;

E. F. Salow of State Employees Credit Union, Milwaukee; Victor Singer and Ray Strutzman of Luick Main Credit Union, Milwaukee; R. Schaefer of Luick Ice Cream Credit Union, Milwaukee; Mrs. M. Wittenberg of Holeproof Main Plant Credit Union, Milwaukee; Harold Drefahl of the Sterling Credit Union, Milwaukee; A. Barishausen of Seaman Body Credit Union, Milwaukee; John Hade of St. Robert's Parish Credit Union, Milwaukee; Ester Grossmann of Y. M. C. A. Credit Union, Milwaukee; Ralph Kulk of G. P. & F. Credit Union, Milwaukee; L. G. Langlois, treasurer of Monarch Credit Union, Milwaukee; and Frank Massar of Globe Union Credit Union, Milwaukee.

Breaking 'em in Early

THE STATE LEAGUE office has been advised that Miss Carol Anne Conway, 3½ years old, will be escorted to the state league convention by her brother Richard Conway, 6½ years old.

Carol Anne and Richard are the daughter and son, respectively, of Ralph Conway, treasurer of the Globe-Union Credit Union, and are members in good standing of the same credit union.

Carol Anne claims she will be the youngest credit union member present at the convention and issues a challenge to all who dispute her claim.

Richard besides escorting his sister to the convention intends to act as advisor to his father in all matters which may effect the credit union of which he is a member.

Contest Period Extended

DUE TO THE limited number of usable suggestions received for an insignia for the Wisconsin Credit Union League as well as for a name for the Wisconsin Supplement of the BRIDGE, the contest committee announces that the time has been extended for a period of two months.

The contest was sponsored in the hope that an insignia might be devised for the Wisconsin Credit Union League that would express the aims and purposes of the credit union movement in Wisconsin. The winning insignia will be used by the state league on all its letterheads, envelopes, etc., and will be considered the official seal of the state league.

The second part of the contest is to suggest a name for the Wisconsin State League's publication. This publication at the present time is the four-page insertion in the BRIDGE Magazine. In suggesting a name it would be well to keep in mind that the name should be one that could also be used in the event the state league should at any time publish its own magazine.

The following prizes will be given to the winners:

First—The best insignia design, \$20.00.

Second—The best name for the state league's publication, \$10.00.

Third—The second best insignia design, \$5.00.

Fourth—The second best name for the state league's publication, \$5.00.

The following rules of the contest are:

1. A contestant to be eligible must be a member of a credit union in the state of Wisconsin. The contestant's credit union must be a member of the state league. Officers, directors or committeemen of the state league are not eligible to enter the contest.

2. A contestant may win both first and second prizes by submitting the best design for an insignia and the best name for our "magazine".

3. In submitting entries please print your name, address and the name of your credit union clearly on the upper right hand corner of the sheet on which your entry is submitted.

4. In the event a contestant is competing for both first and second prizes, show both entries on the same sheet; the insignia design first and the name of the magazine below the design.

5. If a contestant competing for both prizes designs the best insignia but not the best name or vice versa, that contestant will receive first or second prize as the case may be.

6. The contest has been extended to July 6, 1938. All entries postmarked on or before midnight July 6, 1938, will be given careful consideration by the judges.

7. The names of the winners will be announced in the August, 1938, issue of the Wisconsin Supplement of the BRIDGE.

8. The judges' decision will be final and all entries become the property of the Wisconsin State League to be used by the state league as desired.

9. The names of the judges will be announced later.

10. In case of a tie the prizes will be divided among the tying contestants.

Please mail all entries to the Contest Editor, c/o Wisconsin Credit Union League, 259 East Wells Street, Milwaukee, Wisconsin.

Milwaukee County Association

THE FIRST meeting of the newly elected board of the Milwaukee County Credit Union Association was held on Tuesday, March 29, at the Standard Oil Company with the Red Crown Credit Union acting as host.

President Sheeley called the meeting to order at 8 P. M. and announced that the purpose of this meeting was to outline plans for the ensuing year and to report on the committee appointments.

There are to be three meetings conducted by the several committees, one meeting each for treasurers, credit committeemen, and directors, and the annual meeting to be held in February, 1939.

The following committees were appointed:

LEGISLATIVE COMMITTEE

Walter Gaedtke, chairman, Milwaukee Municipal; R. Kaentje, Federal Employees; L. J. Harding, Cutler Hammer; Norman Tracy, Cudahy Brothers; August Springob, St. Francis Parish; Amos Surface, Red Crown; C. P. Emery, Northwestern Mutual; Ray Sheehy, Gasco.

EXTENSION COMMITTEE

Albert Kasten, chairman, Sentinel News; H. Zabel, Allen Bradley; Carl Gropp, Koehring; Al. Schmechel, Harnischfeger Emp.; George Martins, Falk; Julius Riedel, Seaman Body; Paul Jones, Sure-Stock.

TECHNICAL COMMITTEE

W. C. Graves, chairman, A. O. Smith; Geo. B. Knick, Marquette University; Henry Blum, Telco; S. Huntington, Allis Chalmers; Ervin C. Kaste, Downing Box; G. F. Troyer, Oilgear; Otto Falk, Plankinton Employees.

Branch No. 169 J. N. W. A. Federal Credit Union, Brooklyn, N. Y.

Ever Ready Label Employees Federal Credit Union, New York City.

Winter & Co. Employees Federal Credit Union, New York City.

Twentieth Century Fox Employees Credit Union, New York City.

Transport Credit Union, New York City.

Cutters Big Brothers Credit Union, New York City.

NIAGARA FALLS DISTRICT CHAPTER

Niagara Falls Lehigh Valley Employees Credit Union, Niagara Falls, N. Y.

ROCHESTER DISTRICT CHAPTER

Damon Rochester Federal Credit Union, Rochester, N. Y.

SYRACUSE DISTRICT CHAPTER

New York State Railway Employees Federal Credit Union, Syracuse, N. Y.

UTICA DISTRICT CHAPTER

Hotel Utica Employees Federal Credit Union, Utica, N. Y.

Utica Teachers Federal Credit Union, Utica, N. Y.

N. Y. S. D. P. W. District Two Employees Federal Credit Union, Utica, N. Y.

Central New York Officers Federal Credit Union, Marcy, N. Y.

New York Central System Employees Utica Federal Credit Union, Utica, N. Y.

Rome Utilities Employees Federal Credit Union, Rome, N. Y.

Honor Roll

AS A RESULT of Claude R. Orchard's visit in New York State last December, the number of volunteer organizers has increased month by month.

It gives us much pleasure to note the credit unionists and their affiliation, who were instrumental in the organization of new credit unions since the last report, thereby bringing happiness and security to many more families.

Louis Friedman—Brooklyn P. O.
Irwin Levine—Central.

Jos. H. McElhinney—Jamaica P. O.

Thomas A. Dandrew—Hotel Van Curler.

Julius Brodsky—Starobiner.

Herman Himmelstein—Middle Village.

MAY, 1938

New League Members

THIS MONTH we are pleased to welcome the following credit unions to the credit union family:

BUFFALO DISTRICT CHAPTER

Jewish National Workers Alliance
Federal Credit Union, Buffalo, N. Y.

CAPITOL DISTRICT CHAPTER

Schenectady Teachers Federal Credit Union, Schenectady, N. Y.

METROPOLITAN DISTRICT CHAPTER

Branch No. 169 J. N. W. A. Federal Credit Union, Brooklyn, N. Y.

Branch No. 55 J. N. W. A. Federal Credit Union, Bronx, N. Y.

Brooklyn Boro Lodge Federal Credit Union, Brooklyn, N. Y.

Epirt 98th St. Shop Federal Credit Union, New York City.

Harlem Valley State Hospital Employees Federal Credit Union, Wingdale, N. Y.

Retail Shoe Salesmen's Federal Credit Union, Brooklyn, N. Y.

Sacred Thorn Federal Credit Union, Brooklyn, N. Y.

S-V Federal Credit Union, New York City.

Tifereth Chain Federal Credit Union, Brooklyn, N. Y.

NIAGARA FALLS DISTRICT CHAPTER

Niagara Falls Lehigh Valley Employees Credit Union, Niagara Falls, N. Y.

UTICA DISTRICT CHAPTER

New York Central System Employees Utica Federal Credit Union, Utica, N. Y.

ROCHESTER DISTRICT CHAPTER

New York State Rochester Employees Federal Credit Union, Rochester, N. Y.

Jamaica Post Office

"TONY" KLEIN, President of the Jamaica Post Office Credit Union and mimeograph expert changed the name of the credit union publication to the "Credit Union Mirror" (reflections of the credit union). The March 31st report shows that this credit union is progressing at the same rate as in the past. Profits for the quarter prior amounted to \$519.24. Jos. H. McElhinney (Mac to you) is the Secretary and both these men are credit union enthusiasts. The managing director appreciates their cooperation in the establishment of a credit union for the postal men in South Nassau County.

Progress With Utica Chapter

BILL WISKIN and his co-workers report March, 1938, brought the Central New York State credit union movement to a new high.

Dora Maxwell and Director Tom Kelleher assisted in the organization of six new credit unions during the week of March 7th (note credit unions organized).

Credit union privileges were thereby extended to 5,000 additional individuals.

A "Dora Maxwell Dinner," arranged by Matt May of Skenandoa Rayon, was the week's feature. Miss Maxwell related CUNA Mutual's activities, forcefully presenting advantages of Life Savings Insurance. Chapter President Wiskin presented Miss Maxwell with a silver plated platter, inscribed "To Dora, 'Champ Organizer,' with appreciation from Utica District Chapter."

Civil service rooms in the centrally located post office have been obtained for chapter meetings through the Utica Postal Credit Union. Doubled attendance figures have resulted.

The March 30th chapter meeting was the most successful to date. Twelve credit unions were well represented, with the Oneita Knitting Mills in the lead with eight members attending. Jim Woodward of Albany was guest speaker and joined Tom Kelleher in reporting on the March 26th directors' meeting of the New York State League. Our unsuccessful bid for the state convention was well explained. Permit us to hereby thank Mr. Harry Muhl of Hotel Utica and Mr. Charles Bennett of the Utica Chamber of Commerce and the many others who gave their time to preparation of Utica's bid.

President Wiskin's progressive Marcy State Hospital Credit Union grabbed the lead by being first to put Life Savings Insurance in effect.

Plenty new activity lies ahead with the following appointments:

EDUCATIONAL RADIO BROADCAST COMMITTEE

Russell A. Ogden, Utica Postal.
Charles Breitenberg, Utica Fire Department.

Frank Aiello, Aneita Knitting Mills.

CHAPTER SPRING BINGO PARTY COMMITTEE

Matt May, Skenandoa Rayon.
R. L. Becker, State Highway Dept.
Sam Hauck, Employees of the Union Station.

Frank Keinz, Niagara Hudson Co.
Francis O. Cooley, Oneita Knitting Mills.

Utica's large textile and rayon industry which was first to feel the 1937 recession has been fortunate to operate on a reduced scale during the trying winter months and now promises to lead the way to better times and greater credit union service.

Our appreciation to Matt May, Charlie Breitenberg, Frank Keinz, and the many others who assisted Miss Maxwell to make this one hundred per cent batting average in the Utica District.—F. O. COOLEY.

Credit Union Investments

WITH THE enactment of the federal bill permitting federal credit unions to invest their surplus funds in federal Savings and Loan Associations, the league has been besieged by these associations located in this and other states requesting the names of such credit unions which have surplus funds.

It is hardly likely that there can be many federal credit unions with idle funds, granting that they are rendering the maximum service to their members and also considering that our oldest federal credit union will be operating about three and a half years.

Occasionally a credit union has for a time some funds not loaned to members due to the particular industry in which the credit union has been set up. On the other hand, the league office receives many requests from credit unions for more funds in order to meet their loan demand. The question then is shall the credit union invest its temporary surplus funds in a federal Savings and Loan Association or lend it to another credit union? The dividend usually paid by savings and loan associations range between 3 and 4 per cent. Although there has been very little interlending between federal credit unions, due to the fact that credit unions must first amend their by-laws, the interest charge will be between 4 and 6 per cent.

It is our hope, however, that those federal credit unions which have funds to invest will give first consideration to a credit union which is in need of funds. Only through co-operation can we accomplish our aims in bringing to our folks the cash which they may require at a reasonable rate of interest.

If your credit union has surplus funds or is in need of some, communicate with the league office.

UTICA FIRE DEPARTMENT



JAMES F. HAMLIN, secretary of the Utica Fire Fighters Credit Union, true to his vocation, responded to our call for news by sending us a picture of his official body taken when they lit their second candle and some interesting facts.

About a year ago the members of the Utica Fire Department interested themselves in the workings of the credit union because of the sad experience of some of their members with illegal loan sharks and high rate loan companies. With the personal assistance of Edward Hickey of the Farm Credit Administration, Dora Maxwell of CUNA, and Sidney Stahl, managing director, the credit union got off at a flying start. Donald M. Ryan, treasurer, recently wrote: "A year ago you came to town, Sidney, and straightened me

out. I was almost nuts before you came—things are understandable now—and we are sure going to town."

At the close of March 31st the credit union had 180 members and \$4,479.68 in savings. Since inception the organization made 265 loans totalling \$11,923.00. A 3 per cent dividend was paid to members for the year 1937.

Quoting Mr. Hamlin: "We believe our success to be due to the following reasons:

- "1. The enthusiasm of our members.
- "2. The cooperation of the state and national associations.
- "3. The BRIDGE.
- "4. The cooperation of the Farm Credit Administration."

Status New York Legislation

THE BILLS sponsored by the League, one creating an insurance fund which would guarantee credit union members' deposits (similar to the FDIC) and the other liberalizing the law on credit union expenditures passed the Senate through the efforts of Senator Julius Berg, but did not come out for a vote in the Assembly Chamber. The Banking Department had previously approved these bills and they will most likely be enacted in the next session of the New York Legislature. A questionnaire is being drafted by Nat Helman which will be submitted to all State chartered credit unions inquiring whether they will join and participate in this insurance plan when and if it is enacted into law.

The two bills which were introduced into the Legislature adversely affecting credit unions failed enactment through the efforts of the

League with the cooperation of the credit unions operating in this State. The value and need for a strong State League was tested by the frustration of this extremely unfavorable legislation.

Credit Union Hold Up

THE OFFICERS and members of the Roubespod Credit Union at Buffalo were recently held at bay by a trio of gunmen who obtained about \$800 of credit union funds. The credit union holds its weekly evening meetings in the B'rith Israel Synagogue and the intruders apparently aware of the location of the cash box carried out the theft with celerity. Fortunately no shots were fired and no one was hurt and most important was the fact that the credit union had adequate hold up and burglary coverage. Credit union officials should protect credit union funds by obtaining hold up insurance.

A VISTA FOR 1938

The following from the "District of Columbia League News" applies pretty much to California as well as to the District and the other States.—Editor.

HAVE YOU EVER stopped to visualize for a moment what tremendous and far-reaching steps the credit union movement has taken in the last ten years? Probably the greatest single stimulus to its growth was the passage of the Federal Credit Union Act in 1934. This made it possible to organize credit unions in all states, and set the stage for the next logical step of setting up state leagues of credit unions, and then the Credit Union National Association. Few of us have had any realization of just what has been taking place with so little ostentation. Today there are over 6,500 credit unions in this country, and approximately 100 here in Washington. What do you suppose they are doing; what are they thinking; what is this this we call the credit union movement; what direction will it take, and who will determine that direction? Logical questions all, and yet often perplexing.

Have you ever stopped to think why credit unions were organized? The story of Raiffeisen in Germany indicates that there at least these co-operative enterprises were started as a last desperate resort in a country ravaged by plague. They were built on the simple theory that through cooperative effort men could share the fruits of each other's labor to mutual advantage. Not a new theory even then, but a reliable one always.

The advent of our highly complex capitalistic society brought many evils, not least among them that which placed many men in the position of needing money and being able to get it only from those who were able to dictate the price in accordance with the degree of necessity impelling the borrower. The credit union has been developed in this country to the end that this condition will be eliminated completely and permanently.

Each credit union is a complete organization within itself. At first glance it would appear that it can operate successfully and to full advantage in its own bailiwick. However, it is constantly facing new experiences and meeting new problems.

Visualize 6,500 credit unions with total assets of \$125,000,000 undergoing the same experiences and asking the same questions. It is immediately apparent that there are a multitude of common problems, including very serious and constant threats to the existence of the credit

unions themselves. Obviously, there must be some method of directing the destinies of this large group of individual activities which form our credit union movement. There must be direction to protective efforts, to coordinating and simplifying procedure, to disseminating information, to organizing new units, and to promoting the welfare of each credit union member.

Every credit union is involved, and each has a responsibility to the other in that it must do its part in the building of a permanent program. With this in view, it has been generally accepted that the individual credit unions could organize most advantageously under state leagues, with the latter in turn affiliated with a National Association in which they are directly represented. The functions of both national association and state leagues are similar, dealing primarily with protective, promotional, and educational work. Each must be actively supported mentally, physically, and financially. There are many who wonder why so much financial support is required, and to these it may perhaps be pointed out that every movement of any consequence has found the need for a coordinating unit which must be paid for. Thus came into being the Chamber of Commerce, the National Building & Loan Association, the American Bankers' Association, the National Real Estate Board, and the Governing labor bodies.

Neither the leagues nor the National Association are money-making enterprises. The latter is now publishing a national magazine, *The Bridge*, and selling it to credit union members at considerably less than cost. In addition, it operates a supply cooperative and handles borrower's protection insurance and treasurer's bonds. It has several regional representatives who are constantly engaged in assisting credit unions with operating problems. It gathers all kinds of statistical data, and keeps constantly in touch with the activities of state legislatures and the national congress.

Why have all credit unions so successfully avoided burdensome taxation? Why have those whose members are federal employees been permitted to use free space in federal buildings, and avoid payments for rent? Why, as a matter of fact, are all the credit union laws now in effect? The answer is all too obvious—Somebody Planned These Things, and fought for their establishment. But, whereas a few individuals have

done this heretofore, group action must now take up the burden to guide expansion and establish permanency. That is why the leagues and the National Association are so vital to the credit union movement. That is why at the beginning of this new year, replete with so many possibilities, it is so important that we "Think on These Things."—District of Columbia News.

Shares Insured in "Central"

THIS CREDIT UNION has adopted "share insurance" covering its shares and deposits. Do you realize what this means to you? It means that on your shares or deposits with this credit union you will draw the regular dividend or interest each year and in case of death there will be left to your family or estate the equivalent of a 100% additional dividend through the doubling of your holdings at that time.

For example: The member with \$500 in savings in this credit union at a 5% dividend rate would draw his regular dividend of \$25 each year and at the end his family would receive his \$500 of savings and along with it an equal amount of \$500 or the equivalent of a 100% dividend. That means an estate of \$1000 with a \$500 cash surrender value, a \$25 annual income, and it costs the member nothing. The only requisite is that he be a member of this credit union and that he have in savings with us up to \$1000 or whatever amount he wishes to have doubled.

In addition to credit unions, all officers, directors, and committeemen of credit unions are eligible for membership in the Central Credit Union. To these persons is extended the privilege of having their savings doubled if placed in this credit union.

Also, among those eligible for membership in this credit union are "those persons holding the maximum amount of shares allowable in other credit unions." If for any reason your credit union has put a maximum on the number of shares that you may hold in your credit union and you hold that maximum, you are eligible to purchase additional shares in the Central Credit Union.

If you are eligible for membership in this credit union we would suggest that you save where your savings are doubled in case of death and that you borrow where your loans are paid off in case of death. **USE THIS CREDIT UNION.**

Why League Membership

LEAGUE MEMBERSHIP is entirely a matter of being sold on the league or not being sold. The credit union that is in the league for only what it can get out of the league is never going to be satisfied. The credit union that is a member because it is willing to do its share toward protection and development of the movement will be satisfied. To such a credit union the questions of dues, representation, by-laws, organization mechanics, etc., are only petty incidentals to the main purpose of getting along with the credit union movement.

The open minded credit union member can find plenty of reasons for league affiliation if he will but take time to list them. The following is the answer of one such member to the question, "Why League Membership?"

BECAUSE your credit union was given to you—someone got the law enacted, someone brought the story to you and helped you; millions of other people need credit union service!

BECAUSE we now have the credit union movement in our hands with the responsibility of doing something about it!

BECAUSE the league is a non-profit organization whose objects are to promote and protect the credit unions of America!

BECAUSE *in unity there is strength*; every powerful group in the country recognizes that, even our enemies do!

BECAUSE 42 states have leagues all increasing in membership!

BECAUSE other credit unions are carrying the load for the benefit of all; it is unfair to take those benefits and give nothing in return!

BECAUSE in joining the league you join the National Association which has fought for most of the privileges we enjoy, which is constantly fighting legal and legislative battles in our behalf and without which we could not long exist!

BECAUSE only through league and National Association membership can we perfect our credit union laws, and protect ourselves against unfair taxation and adverse legislation!

BECAUSE we owe it to our members and their families to protect the credit union and give them the assurance of the safeguard found in league and National Association membership!

BECAUSE you get money-saving services in CUNA Loan Protection,

burglary insurance, lower bond rates, lower prices on forms, the BRIDGE, and help with any and all problems!

BECAUSE the greater the number of credit unions supporting the league, the lower will be the cost per credit union and the greater will be the service to you!

BECAUSE you can afford it and it is a test of whether you really believe in the credit union movement!

Credit Union Street

By W. A. PRATT

WE STAND at the end of a long straight street and, looking toward the other end, it appears that the street becomes more and more narrow and the buildings on either side proportionately lower until all have converged into a single point and nothing lies beyond. This is commonly known as the vanishing point. If we traverse this street we find that it retains its normal width; the buildings their normal height and that this point of nothingness has advanced as we have advanced and is still as far away as ever. If we could follow this street forever we could never reach this point for the very simple reason that, as a material thing, it does not exist. It is simply the point at which the human vision fails to encompass objects of that size. If this street were four times its present width and the buildings four times their present height the point would be four times as far away. It is simply a matter of proportion and the power of human vision.

In this credit union movement of ours there is another point often mentioned, which to my mind bears a close resemblance to the vanishing point. It is commonly known as the "saturation point" and its relative position is also a matter of proportion and the power of human mental vision. If we stand still at the end of Credit Union Street, flanked on either side with opportunities for doing good and allow our mental vision to center on the vanishing point in the distance, there we have found the saturation point before we start, but if we will travel along it, taking advantage of the many opportunities to be of assistance to our fellow members, we will find that it not only retains its initial width, but it actually becomes broader and finer and the opportunities for doing good more frequent and larger in proportion, and the vanishing point so far in advance that we actually cease to consider it at all.

It Never Comes

Theoretically, the saturation point is reached when we have no further use for new capital; when the returns on loans outstanding will equal the demand for new loans. But, in Credit Union Street, that time never comes.

Comparatively, this is a new street, and as we travel along it our mental vision widens and we continually find new ways of extending material help to our fellow travelers; and they, in turn, coming to a realization of the value of our association, join with us in seeking new avenues in which there is work to be done. If we traveled alone ours would indeed be a sorry state. But it is not so. As we travel along we continually meet and join hands with other travelers in this same street. We exchange thoughts and out of this exchange grow other opportunities for doing good with the means at our command. By these chance meetings in this street of ours we benefit, not only in a material sense, but in far greater measure in a spiritual one. Friendships thus formed are lasting and our working in a common cause leads us nearer to a realization of the true meaning of the Brotherhood of Man. Personally, I value the friendships made while traveling in this street more than gold.

We have nearly forgotten our saturation point. Where is it? Side by side with the vanishing point it is traveling ahead, and if we make use of our opportunities it must continue in its present company. If no new buildings were erected; no new business established; no new people employed; no new thoughts entered the mind of man; no new babies were born to increase the population, in short, if the world stood still we might come abreast of, and become better acquainted with, our saturation point and its running mate, the vanishing point.

When we reach the point in our street where there are no more financial worries to be ironed out, no more hospital bills to be paid, no more pain to be alleviated, no more calls for money to meet the needs of life then we can cease thinking about our saturation point for then, indeed, hath the Millenium come. —Missouri League Bulletin.

Central Credit Union of California

Formerly
California League Credit Union
1307 Harrison St. P. O. Box 964
OAKLAND, CALIFORNIA

Teacher Credit Unions in Texas

The Managing Director's Office

A CONSOLIDATED report of the teacher Credit Unions of the State of Texas for the year ending December 31, 1937, shows rapid growth during the past six years. It shows that most of the larger towns and some of the counties of the state are organized. A good example of an all-embracing county Credit Union is the Denton County organization, which includes the faculties of North Texas State Teachers College and Texas State College for Women, Denton city teachers, and Denton County teachers. Any town or county in the state with 100 teachers can easily organize and operate a teacher Credit Union making savings for its members not only in lower interest rates but higher dividend returns on their investments. Examples have been found in this state of teachers paying 15 per cent interest on long term real estate loans and 300 per cent interest on personal loans. Examples have also been found of teachers that have lost their life savings through fraudulent investments.

Of the 40,000 teachers in Texas, less than 3,000 belong to Credit Unions and the majority of the teachers do not have the opportunity of joining one. The State Teachers Association of the State of Connecticut divided the state into districts and organized seven Credit Unions to take care of more than 50 per cent of the 11,000 teachers of the state. The State Teachers Association of Mon-

tana has organized a Credit Union for all of the teachers of the state. What the teachers of this state need is a Credit Union organized in every town, county, or group of towns and counties with more than 100 teachers and a Credit Union organized in the Headquarters of the Texas State Teachers Association for the teachers in scattered communities of the state. Close cooperation by the Texas State Teachers Association with the teacher Credit Unions is assured this year as Mr. R. H. Brister, President, has put a Credit Union speaker on the General Program for the State Meeting in November, 1938.

A Credit Union Section of the Texas State Teachers Association was organized in 1934 and several of the Credit Unions were organized as a result of the activities of this Section. The Federal Government had organizers work in the state for three years resulting in many other organizations. At the present time the Credit Union organization is being carried on by the Texas Credit Union League, of which G. W. Elder, 3920 Coyle Street, Houston, is Secretary. The officers of the Credit Union Section of the Texas State Teachers Association are Mr. H. B. Masters, President, North Texas State Teachers College, Denton, and W. J. Edmonston, Secretary, 715 Kirby Building, Dallas. Either of them or Mr. Elder will be glad to furnish information or give aid in organizing a teacher Credit Union.

THE TEXAS Credit Union League has increased its membership by five members during the past month, and five new credit unions have been organized in Texas.

The expense of the office has been \$51.52 during the past month. This covers the purchase of 1,000 letterheads for the use of the League, the monthly salary of my assistant, and the cost of stationery supplies, postage, etc.

The Credit Union National Association sent to me about 300 copies of a publication headed "Texas Credit Union League News" containing the Filene Memorial Address delivered by Mr. Roy F. Bergengren at the Filene Memorial Meeting in Dallas. A copy of this publication was sent to each credit union in Texas with the view of stimulating interest in the League. There was also inclosed an application blank for membership in the League with all copies addressed to those credit unions who are not members as a follow-up reminder of the letter and application blank mailed out a few days earlier, urging affiliation in the League. The Credit Union National Association is going to provide the League with enough copies of the Texas Credit Union League Supplement to be mailed to each credit union in Texas each month. In this manner all credit unions may keep in contact with the af-

REPORT OF TEACHER CREDIT UNIONS AS OF DEC. 31, 1937

Credit Union	Cash in Bank	Amount Out on Loan	Reserve Fund	Undiv. Earnings	Total Assets	Gross Earnings	Amt. of Div.	Rate of Div.	Total Mem- bers
Amarillo School									
Employees C. U. ---	\$ 2,641.68	\$ 15,400.68	\$ 288.18	\$ 136.55	\$ 18,042.36	\$ 632.89	\$ 335.91	5%	67
Beaumont School									
Teachers F. C. U. ---	50.85	3,429.85	71.79	132.37	3,480.70	254.66	80.50	5%	98
Bowie County									
Teachers C. U. ----	320.60	2,237.45	50.61	12.57	2,558.05	122.71	47.87	8%	59
Dallas Teachers									
Credit Union -----	1,080.87	104,163.23	4,462.61	384.76	110,485.12	8,499.78	4,509.27	6%	705
Denton County									
Teachers F. C. U. --	780.16	6,140.12	31.32	.41	6,920.28	305.36	124.40	5%	112
El Paso									
Teachers F. C. U. --	965.26	980.00	35.33	41.63	1,945.26	106.48	25.00	2%	58
Fort Worth									
Teachers C. U. ----	4,146.25	12,237.03	330.35	21.08	16,383.28	726.76	688.42	5%	238
Goose Creek Public									
School Tchrs. C. U. --	661.88	1,330.66	38.76	5.60	2,002.34	92.77	34.48	6%	50
Houston Public School									
Teachers C. U. ----	526.32	31,305.52	492.01	836.28	31,831.84	2,389.63	840.67	6%	384
San Antonio									
Teachers C. U. ----	4,378.90	29,005.45	1,723.35	269.52	33,384.35	2,794.91	993.01	5%	411
University of									
Texas F. C. U. ----	345.84	4,884.50	77.45	153.78	5,230.24	231.09	139.06	4%	128
TOTAL -----	\$15,898.61	\$211,114.49	\$7,601.76	\$1,994.55	\$232,263.82	\$16,157.08	\$7,818.59		2310

(No report from Corpus Christi, Hockley-Cochran, Pampa and Wichita Falls Teachers C. U.'s)

By H. B. Yates, President, Dallas Teachers Credit Union

fairs of the League whether or not they subscribe to the BRIDGE.

In addition to the routine work of the office Managing Director there have been 100 letters written, two to the Credit Union National Association, 77 regarding general League business to credit unions in Texas and members of the board of directors, 17 concerning membership in the League, and 4 covering miscellaneous subjects.

Granville W. Elder, Man. Director

Dallas Chapter Meeting

AT 6:30 P. M., on Wednesday, April 13, 1938, 95 chapter members and guests, representing 18 Credit Unions, gathered at Dallas' new Post Office building as guests of the Dallas Postal Employees' Credit Union. Starting from the office of the Superintendent of Mails, where each guest was given an identification badge, groups of ten each with a supervisor in charge were taken on a tour of the Post Office during the heaviest mail handling period of the day. The tour, with the competent explanations of the supervisors, was very interesting and informative. The inspection trip completed, the guests re-assembled in the Post Office cafeteria and enjoyed a well served and very delicious luncheon.

Mr. W. J. Edmonston, President of the Chapter, recently returned from the Annual Meeting of the Credit Union National Association, distributed to the guests copies of the CUNA Song Sheet containing parodies on numerous popular songs of the day and the entire group joined in an old fashioned song-fest and the crowd got a big "kick" out of the new words pertaining to Credit Unions.

Mr. Preston Lockhart, of the host Credit Union, entertained the folks with some sleight-of-hand tricks and received a big hand.

The meeting was then turned over to Mr. O. D. Aston, chairman of the program committee of the host credit union, who first introduced the other members of the program committee—Messrs. Watson, Henson and Lockhart. Mr. Aston also introduced the supervisors who had charge of the groups on the inspection tour of the Post Office. Mr. V. S. Judson, President of the Texas State League was called on and gave a brief but interesting talk on the progress of the State League and gave some enlightening statistics on the total assets of all the Credit Unions in Texas combined as well as just those in Dallas,

both of which showed a healthy condition.

Mr. Aston then introduced the speaker of the evening, Mr. C. J. Crampton, Acting Postmaster. Mr. Aston pointed out that Mr. Crampton has long been a friend of the Credit Unions and has in the past sponsored legislation favorable to Credit Unions, and that he was personally acquainted with the late Edward A. Filene.

Mr. Crampton then talked to the guests who listened with much pleasure and profit and found that Mr. Crampton brought out the point that the bulwark of the community, of the State and of the Nation, is the type of citizens that comprise them and that the Credit Unions were doing a marvelous work in building up the economic security of its members, thru which the entire nation would benefit.

At the conclusion of Mr. Crampton's talk it was quite evident that the members of the chapter would be only too pleased to listen to him some more.

The meeting was then turned back to the President of the Chapter, Mr. Edmonston, who gave a resume of the meeting of the Board of Directors of the Credit Union National Association recently held in Madison, Wisconsin, and which Mr. Edmonston attended as a Director from Texas.

A rising vote of appreciation was given the Dallas Postal Employees' Credit Union for the excellent meeting and program arranged, and to them also goes the honor for having the largest attendance for a regular Chapter Meeting. Following this the meeting adjourned.

Albert Borofsky

The Bank and The Credit Union

THE QUESTION is asked from time to time by members: "What is the attitude on the part of banks toward credit unions?"

If the experience of our local officers along with that of the national officers who are making wide contacts throughout the entire United States can be considered as an index, the attitude in general is one of friendliness. This feeling toward the Credit union is what it should be, there being no just reason for its being otherwise.

The banks of deposit and the Credit Unions operating in any neighborhood community or center of population are both offering specialized services. Banks have concentrated their best thinking on commercial

pursuits. Their services meet a definite demand with resulting benefits to all who find it possible to avail themselves of them. No particular blame can be placed on the banks in general for not entering the field of small loan finance any more than can Credit Unions be blamed for not financing great railroad lines. The banks, however, have had ample resources to meet the small loans demand but their attitude has not been so favorable toward extending credit in the more modest amounts. Their machinery has not been set up for handling this phase of the business.

The demand for financial assistance has been present in the human family from the earliest recorded date but the methods used and the costs of supplying these needs have very often been such that while the demand itself was human, the remedy in many cases could in no sense be called friendly. Bear this in mind: demand precedes service and humans precede their material institutions in importance. Hundreds of thousands of individuals whose requirements called for small loans and whose integrity warranted placing confidence in them have furnished the demand. The Credit Unions have answered in a measure this wide-spread demand with machinery and technical equipment geared to meet any reasonable small loan requirements of its members.

The Credit Union's attitude is, "No amount is too small or too much trouble, provided there is a real need for it." The bank has its field also. If the banks can serve your individual interests better, by all means allow them to extend their service to you. If the Credit Unions can serve your interests better, extend them the opportunity to serve you, not only for the loan privilege but also for the program of thrift emphasized by the Credit Unions through systematic saving of small sums *regularly*. After all, each individual is a part owner in his particular Credit Union with a voice in its management. It's yours, use it!

Honor Roll

IN LISTING in the April issue of the BRIDGE Supplement the Texas Credit Unions which have subscribed to the BRIDGE for 100% of their membership, we inadvertently omitted the Pollock Paper and Box Company Credit Union. We hasten to correct the error and extend congratulations to the Pollock Paper and Box Company Credit Union.

Who will be the next to join the HONOR ROLL?

Wilson Cedar Rapids Employees

OUR GOOD FRIEND, Fred Ely of the Wilson Employees Credit Union, sent us the following article some-time ago but it has been crowded out a couple of times, we are sorry but we give it to you now:

Credit Union Has Record Growth at Cedar Rapids

On April 15, 1933, a group of Cedar Rapids employees got together with the idea of establishing an employees' credit union which would furnish their fellow workers with:

1. A safe, profitable, and convenient place to accumulate a savings fund.
2. An opportunity to borrow money when needed for legitimate purposes at the lowest possible rate.

This Cedar Rapids Employees' Credit Union has grown rapidly as workers in the plant have learned of the many advantages it has to offer. Because of its work, many members have been able to take care of bills incurred by sickness or death in the family without undue hardship. Others have repaired homes, purchased new furniture, automobiles, or other necessary articles, frequently at a substantial saving because they were able to pay cash rather than buy on the installment plan.

Control of the credit union is entirely in the hands of a board of employee directors who are elected annually by the members. While the company has no voice whatever in the management of the organization, it is in sympathy with its aims and purposes. This is evident in the co-operation it has extended by providing office space and clerical help for the transaction of the credit union's business. A new office for the credit union has recently been built on the first floor adjacent to the time clocks. These new quarters will enable the organization to transact business more easily and rapidly.

The Cedar Rapids Employees Credit Union has made steady progress since its organization. Membership at the close of last year totaled 997; shares, deposits, and reserves totalled \$31,745.39, and loans outstanding totalled \$28,261.71.

The board of directors are constantly on the alert to enlarge and improve the services of the credit union and are always glad to assist employees in financial matters in so far as they are able. Employees who need money for legitimate purposes or wish to have a safe place in which to save should join the credit union.

CUNA MEETS

THE FOURTH Annual Meeting of the Credit Union National Association is now a matter of history because national directors from forty-three state leagues, the District of Columbia, Hawaii and the Province of Nova Scotia met in Madison, Wisconsin, on April 8 and 9th to review the acts of its executive committee for the past year, set the budget for the new fiscal year and to discuss the many phases of the ever advancing credit union movement in the new world.

When we say new world we mean just that because it will not be long now before the movement will have spread throughout North America. If you will note carefully you will realize now that the movement is not only national but international in its scope due to the presence of those from outside the territorial limits of the United States.

Reports of special committees brought on long and animated discussion before being accepted by the directors present and after an exceedingly arduous series of meetings all the directors returned to their respective states thoroughly satisfied that at least things were moving forward along the right lines and under competent direction.

Further details of this, the 4th annual meeting, will appear in the columns of the BRIDGE—we recommend that you read them when they appear.

Our Puzzle Answered

LAST MONTH we gave you a cross word puzzle created by our good friend, Lloyd George, treasurer of the Cedar Rapids Teachers Credit Union, and now we have to report that two correct answers have been received, one from A. W. Schmidt, La Plant-Choate Credit Union of Cedar Rapids and the other, Nellis I. Foster of Waterloo, Iowa. These came in the same mail so we have offered both of these good people space in our columns for anything they cared to say so we now give you Mr. A. W. Schmidt's offering. We will give you Miss Foster's efforts if she cares to write us.

Mr. Schmidt chose to talk about credit unions rather than himself—here goes:

Credit Unions

Credit unions are making life more liveable for thousands of peo-

ple the length and breadth of our great country.

Any person who has had any connections with a credit union is one more person who will never again have anything to do with the money lenders who prey upon the masses. I wax indignant just thinking that our government would license these money lenders allowing them to charge 3% on the unpaid balance.

I believe that the ever increasing amount of credit unions and the members acquired each year will soon be so large that there will be no people to patronize these money lenders! I hope this day is not far away.

We, the board of directors of our LaPlant Choate Credit Union, are proud of our credit union and possibly when you finish reading a few of our statistics you too will see why we are proud.

Organized in October, 1936, it started to function as a credit union on December 17, 1936. Below are a few statistics:

	April 1 1937	April 1 1938
Active Members...	93	200
Total Deposits...	\$1,045.46	\$3,535.41
Total Loans in Force	881.25	3,233.35
Total Borrowers..	30	84

At present our membership is increasing at the rate of 10 new members per month and we have a 65% membership of the present plant payroll. We paid a 4% dividend last year.

The fact of which we are most proud is that of all our loans, 224 paid up and in force, we have had only 1 loan in arrears as to prompt monthly payments.

These few facts and figures show how much our credit union has meant to LaPlant Choate employees. Long may the credit union flourish!

During his recent visit to Des Moines Cliff Skorstad boarded a crowded street car and was hanging onto a strap. The car gave a lurch and Cliff landed in the lap of a stout lady passenger. The following dialogue took place:

Lady Passenger: "Here, who do you think you are?"

Cliff: "I thought I was a Norse from Minnesota but I guess now I am a Laplander."

Real Estate Values

MIAMI, Fla.—Reaching a new high since the Florida real estate boom, a business property in downtown Miami recently changed hands at the rate of \$7,000 a front foot.

Welcome!

WE KNOW that you have been waiting to welcome the newcomers into the ranks of our ever increasing army of credit unionists so let's all of us give them a hearty welcome now.

The following credit unions have been organized within the past few weeks:

Municipal Credit Union of Sioux City to serve the employees of the city of Sioux City with Albert W. Fahey, president, and Carl F. Johnson, treasurer.

The Wincharger Credit Union to serve the employees of the Wincharger Corporation of Sioux City with W. W. Watts as president and W. J. Klinner as treasurer.

The Roberts Dairy Credit Union to serve the employees of the Roberts Dairy, Sioux City, with Helen Fuller as treasurer.

The Iowa Southern Utilities Co. Employees Credit Union to serve the employees of the Iowa Southern Utilities Company at Creston with W. L. Bunzendahl as president and P. A. Day as treasurer.

Our Family Credit Union to serve the employees of the Nash-Finch Company at Davenport. We do not have a list of their officers as yet.

These are all swell people so again we say—Welcome!!

New League Members

We also want to welcome our new league members so we give you the following:

Iowa Southern Utilities Credit Union at Creston.

Swift's Ottumwa Employees Credit Union at Ottumwa.

The Municipal Credit Union at Sioux City.

Wincharger Credit Union at Sioux City.

Roberts Dairy Credit Union at Sioux City.

Hi-Way Credit Union at Ames.

We have room for more new members in the league—but we do welcome our new members most heartily.

Old Lady (to librarian): "I would like a nice book."

Librarian: "Here's one about a cardinal."

Old Lady: "I'm not interested in religion."

Librarian: "But this one is a bird."

Old Lady: "I'm not interested in his private life, either."

Your Credit Union

YOU SAY, "What can the credit union do for me?" Here is the answer:

In the Regular Budget It Can

1. Finance your car
 2. Finance your winter coal
 3. Enable you to pay back bills
 4. Make possible that vacation
 5. Enable you to save money
- and dozens of other things.

In Case of Emergency It Can

1. Provide funds for hospital, surgeon's fees, etc.
2. Repair your car in case of collision

—and aid in most any need.

The best way to express your gratitude for the credit union is to use it. And by using the association is not meant just the borrowing of money; if you have an insurance policy on a semi-annual basis, wouldn't it be easier to place a certain sum in the union each week, to be withdrawn at the time the policy payment is due? I know several who are using this plan.

A Quotation

"... A credit union is not an ordinary financial concern, seeking to enrich its members at the expense of the general public. Neither is it a loan company, seeking to make a profit at the expense of unfortunates who need loans, laboring men suffering from unemployment, agriculturists suffering from drought or floods—a company having no mercy for its victims and not hesitating to impoverish them. The credit union is nothing of the kind; it is the expression in the field of economics of a true Christian spirit and a high social ideal. It is based on the high conception, wholly just, equitable and fruitful, of 'union for life' instead of 'struggle for life.' . . . however important it may be to prevent the farmer and the working man from falling into the clutches of the usurers, it is of ever higher importance to educate and enlighten these same farmers and working men so that they may be in a position to protect themselves; to teach them to manage their own business so that they may become thrifty and more valuable members of the community. In this high conception of social duty lies the real reward to those who labored to help the movement for credit unions.

"Success for the young democracies of this continent depends upon the prosperity and worth of life to the millions of working men who compose them."

Alphonse Desjardin as quoted by Roy Bergengren in "CUNA Emerges," Credit Union National Association, Madison, 1935.

Genius Versus Industry

I DO NOT despise genius—indeed, I wish I had a basketful of it instead of a brain, but yet, after a great deal of experience and observation, I have become convinced that industry is a better horse to ride than genius. It may never carry any one man as far as genius has carried individuals, but industry—patient, steady, intelligent industry—will carry thousands into comfort and even into celebrity; whereas genius often refuses to be tamed and managed, and often goes with wretched morals. If you are to wish for either, wish for industry.

—Julian Ralphs.

Words, Words Words

SOME FELLER sent this in and asked us just where it fitted into the credit union movement and where did it get you—in the end.

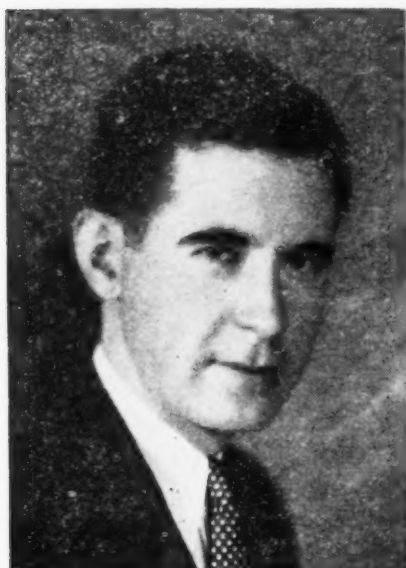
It doesn't fit in anywhere, we think, but read it anyway and we will try to figure it out in . . . the end.

Promulgating your esoteric cogitations or articulating your superficial sentimentalities and amicable, philosophical or psychological observations, beware of platitudinous ponderosity. Let your conversational communications demonstrate a clarified conciseness, a compact comprehensibility, no coalescent conglomerations of precise garrulity, jejune bafflement and asinine affectations. Let your extemporaneous verbal evaporations and expatiations have lucidity, intelligibility and veracious vivacity without rodomontade or thespian bombast. Sedulously avoid all polysyllabic profundity, pompous propensity, psittaceous vacuity, ventriloquial verbosity and vaniloquent vapidity. Shun double entendre, obnoxious jocosity and pestiferous profanity, observable or apparent . . . In other words

SAY WHAT YOU MEAN!—AND DON'T USE BIG WORDS!

"Ain't nature grand!!"

Introducing to the Ohio Credit Unions



Mr. Harry F. Shifflette

Chief Examiners of the Division of Securities in charge of the administration of the Ohio Credit Union Law

THE CREDIT UNIONS operating under the Ohio law are indeed fortunate that Mr. Dan T. Moore has placed Mr. Shifflette in charge of the administration of the Ohio credit union law.

Mr. Shifflette has been a member of the staff of the division of securities for the past five years and has a thorough knowledge of the law under which we operate. In addition he has a complete understanding of the aims and purposes of the credit union and is entirely sympathetic with the work we are trying to do.

He probably understands as well or better than anyone else, the functions of a supervisory and law enforcement body in a democracy. Because of this fact he administers the law from a sympathetic and helpful point of view, rather than from a dictatorial one.

Because of his outstanding personality, to meet him is to like him, and all of the credit union members who have come in contact with Mr. Shifflette have been greatly impressed by his willingness to aid and assist credit unions to understand the law and to render greater service to their members.

So welcome to the credit union movement, Mr. Shifflette, the league and the chapters pledge you their support!

The President's Message

LET'S GO TO Cedar Point on June 11th and 12th. The Indian Lake convention a year ago marked the high point in Ohio credit union history. This year at Cedar Point everything points to a new high. The accommodations are far superior, the time of the year is more desirable, the surroundings are better, and the program, if possible, is better.

Hugh Mitchell and his committee have done a splendid job on arrangements for the convention. Let's do our part by attending and bringing back to our own credit union some of the inspiration and enthusiasm we are sure to get at Cedar Point.

Harold H. Schroeder, Pres.

Chapter Activity

AT THE LAST meeting of the board of directors of the Ohio Credit Union League the board voted to turn over to the chapter \$25 or 2% of all dues collected in their area for the purposes of financing the chapter activity.

The Mahoning Valley Chapter is planning on having a city wide meeting on May 25 in order to inform the people of Youngstown about the credit union movement and thereby create interest in a development of more credit unions in the Mahoning Valley. It is planned that Tom Doig of the Credit Union National Association will be the principal speaker.

The Toledo Chapter is planning a city wide campaign for new credit unions. They are securing the movie "I Promise to Pay" based on Josephine Lawrence's book, "If I Have Four Apples," which graphically and poignantly describes the financial condition of the average person.

As summer is coming on bringing hot weather, many of the chapters are planning out of doors meetings and picnics. This furnishes a very excellent opportunity for credit union members within a given locality to become better acquainted.

Chapter	Credit Unions	Eligible but not League Members
Cincinnati -----	72	5 7%
Cleveland -----	84	8 9%
Columbus -----	29	6 21%
Mahoning Valley -	25	4 16%
Miami Valley ----	32	7 22%
Summit Co. -----	27	5 19%
Toledo -----	28	2 7%
All others -----	62	3 1%
Total -----	359	40 10%

Cincinnati Chapter

By FREDDY SCHWARZ

AT THE MAY meeting of the Cincinnati Chapter a model board meeting will be presented. This presentation will be the final program in a series which began last November and has covered all phases of the operation of a credit union.

The June and July meetings will be social meetings with a campfire and steak fry at Sharon Wood in June and a card party and dance at the Union Gas & Electric Hartwell Country Club in July. These meetings are planned during the hot weather, in order to get out of doors and at the same time to permit Cincinnati credit union members to become better acquainted and enjoy good fellowship. During these two months the service and organization committees will be available for any assistance that may be needed.

The Cincinnati Chapter is planning on a large turnout for the annual league meeting at Cedar Point on June 11 and 12. The committee on attendance and transportation is hard at work making sure that every one who wishes transportation can secure it by contacting the committee.

Plans are now being made for the big event of the chapter year and that is a "Management Night" program which is being planned for September. All credit unions are urged to see that your management attends this meeting. City Manager Sherrill will probably be the principal speaker and a committee of prominent business men are working to support the meeting. It is also planned to invite members from organizations and industries who do not as yet have a credit union. All members of the chapter are being asked to give the names of persons representing business, factories, churches and other organizations so that they may be invited to attend this meeting and learn about the credit union. At this meeting the groundwork will be laid for the organization of credit unions in Cincinnati so that we can fulfill our goal of 100 by January 1.

NEW CREDIT UNIONS

Chicago Credit Union; Enarco Credit Union; The Fidelity Credit Union; Robert's Employees Credit Union; Franklin American Laundry Credit Union; Tepco Federal Credit Union; Plaskon Federal Credit Union; Swartzbaugh Empl. Federal Credit Union.

MUTUAL HELP

The following is an excerpt taken from an article appearing in the April issue of the Christian Front.—Editor.

CARTHAGE, OHIO, is just another American town. It has its main street, its factories, its slums, and its "better" section. Its people are ordinary Americans—some good, some bad. They are all busy trying to make enough money to live on, just as are millions of other Americans.

We were invited to Carthage by Rev. John Harbrecht, S.T.D., to join in the celebration of the second annual meeting of the St. Charles' Parish Credit Union. The credit union was formed shortly after Father Harbrecht took over the rectorship of St. Charles. Long an interested student of credit unions, anxious to help his parishioners, he wanted to put one such credit union in operation in St. Charles Parish.

Like every other American town, Carthage has its personal finance companies and installment houses. These agencies take their pound of flesh from everyone in need of money or goods.

Two years ago the people of St. Charles' Parish were no exception. They paid tribute to the usurers . . . or went without things they needed.

Today those same people buy what they need and pay cash, paying only one per cent a month on the unpaid balance or six per cent interest, discounted, on the money they borrow. Aside from the obvious material gain, they have learned to trust one another, to bear each other's burdens, and to present a united front to any economic disaster that threatens the property of any one of them.

At this annual meeting, amidst a happy, friendly parish group, Father Harbrecht told us "I have never seen the like of this. We have people here tonight who, without the credit union, would never have known each other. We have people here in all walks of life who are brought together by their parish credit union. This is wonderful."

Since that day in June, 1936, when the credit union was organized, membership has increased from 14 to 161 members. The credit union has \$3,000 on deposit. During the year and one-half of its life it has granted loans totalling \$5,500. Of the 161 members some 50 are children attending the parish primary school. These children, under the direction

by

RICHARD DEVERALL

and supervision of the Sisters of Notre Dame, have themselves saved \$500 in a year. And this at the rate of five or ten cents a week!

Ralph E. Waite, the treasurer of the St. Charles Parish Credit Union, told us of the savings effected by the credit union. "We have purchased many electric washers for our members. An average washer runs in price up to \$85. We can save our members at least \$35 by helping them to buy for cash and pay back at low rates of interest. We save our members at least 20% on the installment price of such purchases."

Of great interest, this parish credit union (as most others) has not had a single default. Every member has met every payment on time. Even if one member were to default on account of sickness or accident, disability or death, the funds of the credit union are insured by CUNA Mutual Society, an affiliate of the Credit Union National Association. Hence, the parish credit union involves no financial responsibility for either the parish priest or the officers of the credit union.

The average member of this parish credit union deposits \$1.00 every week. These deposits are received in a little office at the back of the church before and after mass.

The people of St. Charles' Parish find the credit union most valuable in paying hospital bills, in covering doctor bills, in purchasing household and electrical equipment for cash, and in refinancing loans they may have with high-cost personal finance companies. Mr. Waite pointed out that only recently they had refinanced such a loan, a \$300 debt one of the parishioners had with a legal personal finance company. By paying off the loan, and re-lending the member funds at far lower rates of interest, the credit union saved this party at least \$80. They finance other things, too, for we were told that at least two marriages in Carthage were well-launched when the parish credit union supplied the funds for the purchase of household equipment.

Many parish priests are afraid that their people are not capable of managing the details of a credit union. Many fear that if they start a credit union, they will be burdened with the labors of bookkeeping and accounting.

Ralph Waite, treasurer, showed us that the board of directors of their parish credit union is made up of an accountant, a barber, a truck driver, a laundry salesman, an auto mechanic, a housewife, and a parish priest. The audit committee is composed of a cashier in a bank, an auto salesman and a housewife. The credit committee is composed of a laundry salesman, a truck driver, a barber, and a janitor.

One could hardly find a more diversified group of persons, occupationally speaking. Yet the technique of running a credit union is so simple that they manage it with ease. They need no outside help.

We chatted with various members of the parish credit union. They all felt that since the parish credit union came to St. Charles' Parish, things had been different. People felt that they knew each other better. They were more frank about their financial condition; they didn't try to kid each other that they had a million dollars. And when anyone was in trouble, the rest got together, talked about it, and say what they could do. A closer, a more Christian bond now binds the people of St. Charles' Parish.

From the credit union many other activities have come. Many of the credit union members have become interested in social-economic problems. Some of them meet with the pastor to study the social question, the Encyclicals, and such. Generally speaking, a sense of community responsibility and a knowledge of elementary economics have been the first fruits of the parish credit union here in Carthage.

New League Members

Cintel Federal Credit Union; Christ Hospital Empl. Credit Union; Our Lady of Mercy Parish Credit Union; Cleve. Pullman Empl. Federal Credit Union; Ehnrite Products Empl. Credit Union; State Employees Credit Union; Halle Bros. Federal Credit Union; United Engineering (Youngstown) Federal Credit Union; N. S. & M. Empl. Credit Union.

News of the Chapters

Philadelphia

AT THE annual meeting of the Philadelphia Chapter held in Benjamin Franklin Hotel, Tuesday evening, April 26, the following officers were elected:

President, Charles B. Wilkinson, Philco Employees F. C. U.; vice president, Mrs. Genevieve B. White, Carl Mackley Houses F. C. U.; secretary, William W. Pratt, DuPont-Grasselli Employees F. C. U.; treasurer, William C. Buehler, Armour Philadelphia C. U. Members of executive committee: Otto Heningsen, Frankford Arsenal Employees F. C. U.; Joseph K. Boehmer, Gimbel Bros. Philadelphia Employees F. C. U.; James Glass, Sears Roebuck Philadelphia Employees F. C. U.; James Hincken, Philadelphia Teachers Credit Union; T. Walter McGrath, K. C. A. C. F. C. U.; J. G. Miller, Atlantic Refining Employees F. C. U.; S. J. Gurbarg, Germantown Cooperative Assoc. F. C. U.

Mr. J. K. Boehmer, retiring president, installed the newly elected officers.

As the result of a resolution offered by Mr. Albert Adams, of the Philco Employees Federal Credit Union, steps were taken to create a committee on clearing house to handle outstanding delinquent accounts of all credit unions in the area served by the chapter. A definite program of procedure for handling delinquencies will be developed and the suggestions of every credit union are solicited. Communications relative to this important problem should be addressed to Mr. Albert Adams, care Philco Employees F. C. U., C & Allegheny St., Philadelphia.

A legislative committee and an educational committee were also appointed by the president.

Attention of all credit unions in the Philadelphia area is called to the fact that there is now in operation an officers credit union (Philadelphia Chapter Federal Credit Union), through which any officer or committee member of any credit union in the Philadelphia area may obtain a loan. This credit union was created to serve those men and woman, who by reason of the fact that they are not permitted to borrow more than their share holdings in their own credit union, might be forced to resign from their offices. The treasurer is Mr. J. K. Boehmer, 968 East Price St., Philadelphia.

The next meeting of the Philadel-

phia Chapter will be held on Tuesday evening, May 24, at the Benjamin Franklin Hotel, when the subject for discussion will be "Duties and Responsibilities of the Supervisory Committee." Bring your problems to the chapter and have them discussed by experienced credit union folks.

Allentown

Representatives of nine credit unions in the Allentown area met in the Easton High School, at Easton, for the April meeting of the Allentown Chapter. Election of officers and appointment of delegates to the Pennsylvania Credit Union League were the features of the evening.

Mr. E. D. Clauss, representing Allentown Teachers Credit Union, was re-elected president. Delegates appointed by the chapter were Reginald Matz, treasurer, Bethlehem Post Office Employees Federal Credit Union, and George Drumbar, president, Hotel Bethlehem Employees Federal Credit Union. They will represent the chapter at the annual meeting of Pennsylvania Credit Union League in Harrisburg June 4.

Allentown Chapter went on record as favoring an amendment to the federal law to permit making of loans up to \$100 without security. The chapter also favors an amendment to the state credit union law, which will permit interlending by state chartered credit unions.

The May meeting of Allentown Chapter will be held at Salem Reformed Church, Catasauqua, on Monday, May 23, at 7:30 P. M., with Salem Reformed Church Federal Credit Union as host. The matter of establishing a central credit union for credit union board and committee members will be discussed.

Bring your credit union problems to the chapter meeting.

Pittsburgh

Federal Savings and Loan Associations was the topic for discussion at the Pittsburgh Chapter meeting on April 29. Mr. Robert Jones, president of the First Federal Savings and Loan Association of Pittsburgh, explained the operation of the associations which have now been designated as an investment field for federal credit unions. Following his talk, Mr. Edward M. Seibert, secretary and treasurer, spoke briefly on delinquent accounts and how they are handled. A period of discussion followed, during which much light

was thrown on this important financial field, and credit union folks obtained much valuable information.

Mr. Joseph Moore, of the Pittsburgh Firemen's Federal Credit Union, and Frank Tokay, of the Donora Wire Works Employees Federal Credit Union, of Donora, who are members of the board of the Credit Union National Association, reported on the meeting which they attended in Madison, in February.

CUNA insurance was the subject of lively debate, much of it concerning the phrase in the policy which refers to "age of retirement". For the benefit of those interested in this subject, the managing director was asked to obtain an interpretation of that phrase. That interpretation will be found elsewhere in this issue of Keystone State News.

Pittsburgh Chapter has prepared an exhibit of credit union material to be shown in Hotel William Penn during a three-day session of the Pennsylvania Federation of Women's Clubs. The exhibit, which will be one of fifteen by non-profit and educational organizations, will center around consumer problems, and the fact that credit unions will have a prominent part is just another evidence of the importance of the credit union movement.

The May meeting of Pittsburgh Chapter will be held on May 21, time and place to be announced.

McKeesport

McKeesport Public School Employees Federal Credit Union was host to the McKeesport unit of Pittsburgh Chapter on March 29, when 125 members of McKeesport credit unions and their friends gathered in the auditorium of the First M. E. Church for dinner. Arrangements for the affair were in the hands of Mr. W. T. Norton, treasurer of the host credit union, and so well did his committee perform its duties that there is talk of making this an annual affair.

Mr. W. S. Tacey, president of the McKeesport Public School Employees F. C. U., acted as toastmaster, introducing first Superintendent of Schools, Mr. Lawton, who expressed his gratification in the progress made by the credit unions in McKeesport. Miss Julia D. Connor, the managing director of Pennsylvania Credit Union League, then explained the functions of the Credit Union National Association, and the state league, and the place of the credit union and

its individual members in the whole broad field of the credit union movement. Other guests at the meeting included the postmaster, who headed a delegation of twenty members of McKeesport Postal Credit Union. Included in this group is a member of the board of the Pennsylvania Credit Union League, Mr. O. Herklotz.

The evening was made especially enjoyable by the performance of the school orchestra which furnished music throughout the evening and by those who played solos, recited, or sang songs especially prepared for the occasion.

New Kensington

From New Kensington comes word of plans for a meeting to be held on May 6 at 8 P. M. in the Aluminum Company of America cafeteria, for the purpose of taking steps toward the organization of a chapter at this point. With ten active credit unions in New Kensington, and a total of twenty-two in the immediately adjacent territory, it is felt that these groups could come together more conveniently if New Kensington Chapter were established.

Credit unions from Vandergrift, Apollo, Creighton, Jeanette, Latrobe, Oakmont, and Verona have been invited to the meeting, and it is expected *Keystone State News* will carry interesting details of this meeting in the next issue.

Loan Protection Agreement

IN INTERPRETATION of the phrase contained in the Loan Protection Agreement, which relates to "age of retirement," Mr. Earl Rentfro, manager of the CUNA Mutual Society, writes, under date of April 28, 1938:

"I have just returned to the office after a brief trip and have your letter of April 20.

"The term 'age of retirement' refers to the individual member, and not the loan. It is almost a uniform procedure that no loans are made to persons after they have retired from their particular employment, and whatever that age is would govern the agreement. In some cases it has been fixed at 65; however, in the federal service it may be prior to that time. Many persons are retired from federal jobs on account of disability and therefore the loan protection agreement would not govern them. Age 65 would apply in parish and community groups where there is no other governing factor."

Beware of Wage Assignments

(Continued from page 2)

ployee could divide his wages into several assignments. This might involve the employer in a multiplicity of claims for his employee's wages; and, therefore, declares the Supreme Court, the employer should have the opportunity to accept the responsibility or not. (1)

Where a wage earner assigns all of his wages to be earned in the future, it seems that the courts of Pennsylvania will not enforce the assignment.

"Should the law be declared that such an assignment is valid, it is not difficult to see that it would open the door to improvidence and profusion on the part of the assignor, and in the end to utter and hopeless poverty." (2)

Protection

Since 1845 the public policy of the state of Pennsylvania protected wages, even when already earned, against the attachment of creditors. (3)

The courts even protect the wage earner against himself. They declared void an agreement by a wage earner to waive the law exempting wages from attachment. (4)

On several occasions laws were passed authorizing wage assignments, but always the courts were on guard to protect the interests of the wage earner.

All were declared unconstitutional. The one in 1909 violated Section 1 of the Bill of Rights, because a pledge of wages to be earned in the future creates a form of peonage. Those in 1913 either for that reason, or because they were special legislation and void for favoritism. (5)

Other Reasons

There are other reasons against laws making wage deductions mandatory. A flood of evil follows in their train. The Federal Bureau of Labor Statistics, Bulletin 622, revealed the whole ugly story. E. Perome Ellison and Frank W. Brock tell the story graphically in the December 26, 1936, issue of "TODAY." A condensed version of their article is in the Readers' Digest of March 1937, and Warren Bishop, Jr., also wrote an interesting account of the same report in the October, 1937, BRIDGE.

Employers do not like compulsory wage deductions. Keeping account of them entails great expense. Many employers immediately dismiss employees who cause such unsolicited expense.

They become inevitably subject to

gross abuse. Loan sharks favor them, Racketeers love them. Assured of prompt payment by wage assignments, they stop at nothing to get the unwary wage earner in their grasp. By hook or crook they get his assignment. After that, little or no more wages for the victim.

So extensive has the unconscionable resort to garnishments (a court order to withhold part of an employee's wages), and wage assignments grown in those states where such laws are in force that it has become a nation-wide menace. An assistant district attorney in charge of frauds perpetrated by their means calls them "The twin bastards of the law" and Messrs. Ellison and Brock, in their article refer to them as "one of the most inhuman legal devices that any sovereign state in an enlightened age, ever placed on its statute books."

It is fair to say that advocates of a compulsory wage deduction law expect it to apply only to credit unions. But even if constitutional limitations against such restricted application could be overcome, the existence of the law would be a continuous invitation to "wage snatchers" to break down the barrier against them.

Sources

1. *Jermyn v. Moffitt*, 75 Pa. State Reports, P. 399.
2. From opinion of lower court, p. 518, cited and affirmed in *Lehigh V. K. R. Co. v. Woodring*, 116 Pa. State Reports, p. 513. See also: *Lenahan v. The Kingston Coal Co.*, 16 Luzerne Legal Register Reports, p. 589.
3. Proviso to sec. 5 of the Act of April 15, 1845, P. L. 459—Act of May 23, 1887, P. L. 164.
4. *Firmstone v. Mack*, 49 Pa. State Reports, p. 387; *Sweeney v. Hunter*, 145 Pa. State Reports, p. 363.
5. Act of May 11, 1909, P. L. 518. *Jefferson Credit Co.'s Case*, 18 Pa. District Reports, p. 634. Acts of June 3, 1913, P. L. 405 and June 5, 1913, P. L. 429. *Foster's Application*, 23 Po. District Reports, p. 558.

Attention Treasurers

Does your credit union limit the shares of its members?

If your board of directors has placed a limitation on shares, will you please write the league office, giving details as to amount, and method of arriving at the figure set?

Your cooperation will be appreciated.

Provident and Productive Thoughts

By VAN

CREDIT UNION practice and procedure, broadly speaking, is fundamentally the same in all credit unions, but of necessity details and routine must vary to meet the problems of individual credit unions, and even of individual cases. We, in the District of Columbia, have in our credit unions a situation peculiar to our location in the nation's capital, which very probably is not to be encountered anywhere else in our country. Quite a number of our credit unions in Washington are organized in departments and establishments of the federal government. Transfers of an employee from one government agency to another in a great many cases involves the transfer of a credit union member from one credit union field of membership to another, and the question is repeatedly asked as to whether there is any provision for transfer of credit union membership. The answer is of course, "No," but the credit union member leaving one field of employment and credit union membership for another can, and undoubtedly should, contact and become a member of the credit union in the field of membership in which his change of work places him. Upon acquiring credit union membership in his new field, he may, at an opportune time close his previous account and place his accumulated share reserve in his new account.

What course should be pursued by the credit union in which the new account is opened? Obviously the member has established for himself either a favorable or unfavorable record in the credit union where he was formerly a member. The league strongly recommends inquiry of the credit union where the former membership was held for the purpose of ascertaining the member's attitude toward his credit union. Has he shown the proper spirit of cooperation? Has credit union service been helpful to him, or has he used it to his detriment? What kind of credit record has he established for himself? All very material information in helping the credit committee in his new field of membership to arrive at an intelligent decision on the service to be rendered and the credit to be extended.

In this connection, it is also recommended by the league that where

A Loan Analysis

THIS ANALYSIS furnished to the District League by Mr. L. F. G. Goyette of the Washington Central Federal Credit Union on the distribution of loans made by the Washington Central for 1937, gives to the credit unions a fair picture as to what the loan committee is doing over at Central.

Purpose	No. of Loans	Amount
To liquidate debts incurred for living expenses or to consolidate same	28	\$ 5,192
For educational cost including tuition, books, etc.....	9	555
To defray medical, dental and hospital expenses.....	14	1,390
To pay cost incident to the purchase or maintenance of a home	22	3,328
To pay vacation, holiday and convention cost.....	9	977
To refinance other loans.....	4	870
To purchase automobiles, accessories, or have repairs made	4	650
To effect discounts through cash purchase.....	5	600
Miscellaneous types, combination of above reasons and other purposes	22	1,973
Number and amount of loans made during 1937.....	117	\$15,535

Go over to Central and get acquainted. Fill out a membership card—you may want to help or be helped. The address is Room 962, Earle Bldg., corner 13th and E Streets N. W., or phone Miss Gladys Voehl at National 0690.

a member closes his account and discontinues membership, the treasurer, if he knows the field of credit union membership into which such membership is transferring, contact the proper credit union officials there and give them a statement of experience to assist them in giving helpful service.

This will be but another way in which cooperation can be practiced to the advantage of all concerned—the credit unions involved, as well as the individual officers and the members themselves.

Your league committee on credit union practice will be very glad to receive from you any suggestions which you feel may be helpful in regard to the matters above discussed or any others which your experience may have suggested.

Again, "let us all cooperate" in every way possible.

Big Business

WASHINGTON — Spending \$5,350,000 on paper alone in 1937, the Government Printing Office is one of the largest printing houses in the nation. Among its larger jobs last year were 40,000,000 copies of a Social Security form and 6,500,000 copies of a post office form.

Newest League Members

THE DISTRICT of Columbia League continues the steady growth it has been enjoying for the past year, *Judd & Detweiler Federal Credit Union* and *Giant Food Employees' Federal Credit Union* being the new members of the league.

Congratulations are in order for Treasurer Cochran and the board of directors headed by President E. R. Hanglitter of Judd & Detweiler, and Joseph Levin, president, and Carlos Tristani, treasurer, of Giant Food, for casting their lot with the District League and the Credit Union National Association.

WANTED

The District of Columbia Credit Union League solicits credit unions and your credit union officials for any news item which might be of interest to any other credit union in the District. Send your contributions to the League Office.

Your League

(Continued from page 1)

by exorbitant interest rates. They are organized and are making a desperate fight against the credit union movement. Individual credit unions cannot attempt to fight back because of the excessive costs and lack of facilities; but through their League they can wage, and will continue to wage a tireless war against the usurious money lenders. The feasibility of this ability to fight is best shown by our motto, "Unity is Strength."

Your league is not an organization composed of profiteers, but was established as your behest for your benefit and is controlled by you. Its officers are elected by your delegates from your delegates. Its policies are your wishes. Through this league your credit union will render the philanthropic service its founders had in mind at its inception.

Speedy Lawmaking

CHICAGO—The 7,466 members of the 48 state legislatures last year passed 17,194 new laws, or an average of about 2½ laws for each legislator, according to a recent compilation.

Billions for Amusement

NEW YORK—Americans spend approximately \$10,000,000,000 for amusement and recreation every year, or almost \$80 for each man, woman and child in the country, a recent survey revealed.

Organization Service

The services of the District of Columbia Credit Union League are available, without charge, to any group interested in organizing a Credit Union in the District of Columbia. This League is a voluntary association of the Credit Unions in the District. Along with the 42 State leagues, it owns the Credit Union National Association.

Briefly, the objects of these Leagues are to protect, perfect, and extend the credit union movement; to supply for credit unions the common service used by all; and to render counsel and assistance on all problems at all times.

Any individual or group interested in organizing a credit union of any kind anywhere in the District of Columbia or its Metropolitan area, or desirous of any information or assistance, should visit, write, or phone the District of Columbia Credit Union League, Inc., 606 District National Bank Building, 1406 G Street, N. W., Washington, D. C. — Telephone National 2852.

Forty Thousand Strong

IN A RECENT check with the Credit Union Section of the Farm Credit Administration the following total figures were received as to the credit unions operating in the District of Columbia.

	C. U.'s	Members	Assets
District Charter—12-31-37	24	14,930	\$ 955,633
Federal (reporting 12-31-37).....	62	22,745	1,235,778
Federal (not reporting but as 6-30-37).....	10	2,448	72,653
Not reporting at all.....	2		
Chartered but never operated.....	2		
Totals.....	100	40,123	\$2,264,064

The above figures will give to the credit unions of the District of Columbia an estimate of how we stand in number, assets and membership. It is something for us to be proud of and should be an inspiration for us to continue our assistance to the Organization and Membership Department of the League to increase our membership during the coming year. The league welcomes any suggestions of groups of people having a common bond who would be interested in organizing a credit union. Write or 'phone the league the names of any such groups you know. It is our duty to help others have credit union facilities at the earliest opportunity.

Washington Firemen

DURING THE summer of 1933 it was seen that a credit union could be of much benefit to the members of the fire department of the Capitol City. At this time Washington Firemen were individually borrowing about two hundred thousand dollars per year from the well known "sharks."

Application for a charter and a copy of by-laws was submitted, and after due examination, the charter was issued on December 18, 1933.

On that date we had seven members (the organizers), it was decided that a campaign was in order, so, Mr. A. J. Woodhouse and myself started out through the department. At each station we would talk credit union to the members and they would say YES but very few knew what we were talking about and it took considerable time to get the first talk over. Then we went on to the next station, only to meet the same opposition, but after a few stops we could tell the story very easily and answer many questions with ease. This campaign continued for two years, after which, in my humble opinion, one of the best credit unions had been organized with membership exceeding four hundred.

Our first loan was made four days after opening for business; during the first month of operation we loaned one hundred fifty-one dollars.

During the year the loans totaled twelve thousand four hundred ninety-eight dollars, the second year, sixty-three thousand dollars, and last year (1936) one hundred twenty-three thousand dollars, and each year after paying an eight per cent dividend we boosted our undivided earnings fund to about a thousand dollars.

Our system of collecting the payments on loans and installments on shares is somewhat different than other credit unions. We have about forty field contact men who collect money from the individual member, the field contact man delivers his collections to the section contact man, who in turn delivers to the Treasurer.

One fellow fireman, who had joined the credit union "just to see what it was like," found out that an emergency operation was necessary on himself. Before going to the hospital, he appealed to the credit committee for assistance. Without the formalities of the usual procedure, his application for a loan was received and acted upon by the Credit Committee and in less than an hour the loan was made, he was operated on with an eased mind and the beauty of this case is "he is a consistent saver now" where before, as he tells us, he never had a savings account.

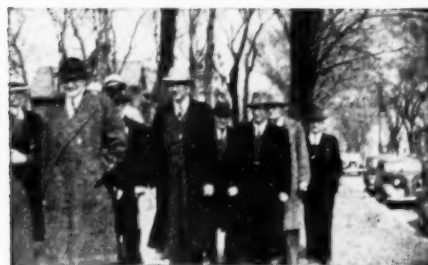
N. C. ROBINSON.



AS WE MET IN MADISON



AS NOTED elsewhere in this issue the Fourth Annual Meeting—seventy-six strong from forty-three states, the District of Columbia, the Hawaiian Islands and Nova Scotia—has passed into history. We owe to Parke Hyde of Los Angeles this particular group of pictures, except that the picture at the bottom of the page is *not* the National Board in costume! It is the A Capella Choir of Sheboygan, Wisconsin, whose beautiful singing made the Filene Memorial Service so impressive. Beginning with the top left we have the main stem of Madison; then, going down, our outgoing president (Claude E. Clarke) and his successor, Presley D. Holmes (right); below again, a few stragglers from lunch with National Director Moran of Connecticut in the van. Down another story we find National Treasurer Charley Hyland, flanked by Julia Connor, managing director of the Pennsylvania Credit Union League, and W. W. Pratt of the executive committee; and then (ground floor) the old Dutch twins, Tom Doig and his buddy, Cliff Skorstad. To the right starting with the ground floor and going up we find President Pinkney (left) of the Missouri League who has been listening appreciatively to a joke from Jim Moran; up one flight is Clarence Howell, manager of the largest credit union of teachers in the world (at Detroit); then Dora Maxwell and Ralph Christie (both of the CUNA staff) enjoy a wise-crack, and just above them the managing director showers his blessing on all concerned, while someone (it looks like Treasurer Roop of La Crosse) tries to dodge the blessing. At the very top is another group, pick 'em out!



Federal Section

NEWS of the CREDIT UNION SECTION, FARM CREDIT ADMINISTRATION



THE CREDIT UNION SECTION is watching with interest the progress of two educational campaigns in western states. In Colorado, Mr. J. D. Kelly, organizer and former treasurer of the Fruita Community Federal Credit Union, has been busy for some months with a series of meetings planned to cover fifty counties. The meetings are in effect study clubs at which the benefits, machinery, and background of credit unions are discussed. In North Dakota, Mr. Paul Erickson has prepared an elaborate outline for the study of credit unions by groups throughout the state, with suggested topics for six discussion periods by each group. Both projects are being promoted by the Farmers' Union.

In Colorado, two community credit unions were chartered in April, one in the Grand Junction area and the other with headquarters in the town of Peetz, and other applications are pending. Mr. Orchard expects to attend several meetings of the series early in the summer.

Governor Myers Resigns

The resignation of Governor W. I. Myers, of the Farm Credit Administration, which had been rumored for some time, was definitely announced on May 3. It is to become effective early in the fall when he will return to Cornell University as head of the Department of Agricultural Economics.

The Credit Union Section shares with all the other units of the Farm Credit Administration a sense of deep regret at the change. Governor Myers has been far more than a routine administrator of the Federal

Credit Union Act. At every turn he has shown a whole-hearted sympathy with the high purposes of the credit union movement, and the signal success of the federal development has in very large measure been due to his encouraging attitude.

Such a favorable attitude in the first administrator of the federal act was of incalculable consequence for good. The widespread company of men and women whose hearts are wrapped up in the success of the credit union movement will be endlessly in Governor Myers' debt. Their good wishes in full measure will go with him in his new work.

Impressive Figures

The recently issued quarterly report for October-December, 1937, carrying year-end figures for federal credit unions, is the latest serial in the continued story of federal credit union expansion.

The theme of the present installment is the same as that of every preceding report of the series—the familiar but ever-gratifying record of youthful growth. Assets of federal credit unions doubled in 1937. At the end of the year the total for 2,103 reporting federal credit unions stood at \$18,311,000, as against \$9,143,000 for 1,701 reporting credit unions a year earlier. On the basis of the 1937 total, covering about nine-tenths of the federal credit unions active at the end of the year, it seems safe to assume an actual total of about \$20,000,000 assets for all federal credit unions.

Loans outstanding on December 31 were reported as \$14,901,000, also about twice the 1936 total. Loans

made during the year by the credit unions reporting reached the imposing total of \$30,774,000, and the total for all loans made since organization stood at \$49,564,000. Shareholdings at the end of the year were \$16,775,000. The ratio of outstanding loans to shares continued to be high, about 89 per cent.

A total of 448,000 members was reported by the 2,103 credit unions, pointing to an actual total membership for all federal credit unions of some 470,000 to 480,000.

Dividends were reported from 1,426 credit unions, or about two-thirds of those included in the summary. The total amount of such dividends reported was \$477,000.

Detailed statistical reports on federal credit union operations will hereafter be issued twice a year instead of quarterly.

Queries

From every corner of the land they come, and from all sorts and conditions of men—the letters from people who want to know what this creature called a "credit union" really is and how it functions. The role of information center played by the Credit Union Section is one of ever-growing importance.

As shown by a recent check-up by Mrs. Jean Noell, across whose desk these inquiries pass, the section has received over 1,000 letters since the first of the year from persons who had heard something about credit unions and wanted to know more. The great majority of these inquirers apparently were interested either in forming or in joining a credit union.

Many of the letters written in reply lead directly to the chartering of new federal credit unions. In many other cases the information furnished seems to lie dormant until some further mention of credit unions brings it to life. A year or two ago a flood of inquiries resulted from an account of credit unions in a Washington business letter. On checking with the files a very considerable number of these were found to come from persons who had previously received credit union information from the section but had not been sufficiently interested at the time to take action. The second letter revived the interest and a number of federal credit unions resulted.

Steadily Ahead

At the end of the first four months 240 new federal charters stood to the credit of the current year, an average of 60 per month. Up to April 30 a grand total of 2,740 federal credit unions had been chartered.

Of the 56 charters issued in April, 9 went to New York and 7 to Pennsylvania, bringing the two states again to a tie with a total of 331 charters received by each. Six new credit unions in the April list were formed in heat, light, and power groups, scattered over four states and Hawaii.

Twenty-one of the 56 April charters were credited to non-federal organizers. From Pennsylvania the diligent Julia Connor sent in the papers for four new federal credit unions, and C. E. Oldham and James Moran matched that number with four each from Indiana and Connecticut, respectively. Sydney Stahl sent in two, as did A. E. Fryer from Ohio. Others appearing on the April list were Theodore Buffington, Dora Maxwell, E. W. Wolfe, Hugh Stout, and Lewis Armento.

Toothache-Born

A waiter in a hotel in Schenectady, New York, had a raging toothache. But he had no money for the dentist. He went to the manager for an advance, and thereby, as related in "American News," house organ of the American Hotels Corporation, he "started something."

In the manager's office was President Kincaid of the Corporation, and fresh in Mr. Kincaid's mind was a magazine article on credit unions. It did not take him long to see the connection. A day or two later the manager of another hotel in the Corporation told him a heart-rending story of the experience of one of his telephone operators with a high-rate money lender. That clinched the mat-

ter. He wired to the Credit Union Section in Washington and obtained help in setting up a federal credit union in the hotel in Schenectady.

That was in the summer of 1936. Since that time 19 credit unions have been chartered in hotels owned by the Corporation, most of them growing and successful. The latest was formed in April of this year to serve the employees of two hotels in Troy, New York, and still others are in prospect. Seldom indeed has a toothache produced happier or more far-reaching results.

Federal Jottings

A working directory of credit union leaders throughout the country is being compiled for general reference purposes. Several hundred names have already been listed. It is hoped that one or more persons may be found in every considerable center in the country who are familiar with and enthusiastic about credit unions and who will on occasion act as guides and advisers to new groups.

The results of the elaborate statistical credit union survey, covering both federal and state credit unions, conducted last year by the Department of Labor, are being published in the Monthly Labor Review for April, which at this writing is still in press. The study, carried on periodically under the direction of Miss Florence Parker of the Department of Labor, is the most comprehensive survey of its kind. All students of the credit union movement will want to become familiar with these figures.

Buy Buddy Poppies and Help Disabled Veterans!



John Dubb Haberdashes

(Continued from page 8)

ation will improve materially from the consumer's point of view in the near future. At present a minor Civil War is raging in the woolen industry. Manufacturers of 100% virgin wool materials naturally feel that those who incorporate in their product a percentage of "reclaimed" wool (from old woolen rags) should be required to indicate the fact clearly to the consumer; and both parties believe that manufacturers who include a proportion of cotton should be restrained from labeling their products as "woolens" or "woolen material." If the Trade Practice conference of the woolen industry adopts these rules, the Federal Trade Commission will enforce them, and the consumer will stand a good deal better chance of knowing exactly what he is getting.

The Reversible

A comparatively modern development, and a good one, is the reversible—which for the price of one coat provides John Dubb's wardrobe with a light topcoat for spring and fall and a serviceable raincoat; you get the raincoat by simply turning the garment inside out and exposing the waterproof side. Incidentally, some of the processed materials used in reversibles have shown an unfortunate tendency to cease being waterproof after a couple of dry cleanings, and it is a good idea to get a warranty from the dealer.

If you demand anything more than warmth from your overcoat, the perennial Chesterfield is a sound style. It can be worn with anything from a business suit to a tail coat, and looks well on almost anyone. The double breasted model is indicated for tall, lean men; the single breasted for the short and stocky, or even fat, among us. Less formal is the standard polo coat—which, usually, contains very little camel's hair, contrary to popular impression. This is just as well; camel's hair while light, warm and exceedingly good looking has very poor wearing qualities and is distinctly a luxury material.

In general, where haberdashery is concerned, the nationally advertised brands are good values. Most department stores, and many smaller clothing stores, sell under their own labels, and while such garments are usually somewhat better value, the customer's assurance that he is getting what he pays for depends solely on the integrity of the individual store, plus what he can gather from an over-the-counter inspection.

CUNA Meets Again

(Continued from page 15)

erly engraved thereon as the third president of the Credit Union National Association, in honorable succession from Edward A. Filene and Claude E. Clarke.

Joe DeRamus, feeling that the members of the Executive Committee should come from as many states as possible, refused to be considered for re-election as clerk and Harold Moses of New Orleans, long identified with the credit union development of that state, was elected to that office. Charley Hyland was elected by glad acclamation to the office of treasurer and the Managing Director was re-elected. The balloting for vice-presidents disclosed that we had chosen John L. Moore of California, B. F. Hillebrandt of Missouri, Garfield Seibert of Kentucky, William Reid of New York, Clarence Howell of Detroit and W. W. Pratt of Pennsylvania.

Mr. Reid is the president of the New York State Credit Union League and heads up the largest credit union in the United States, the Municipal Credit Union of New York. Mr. Howell manages the largest credit union of school teachers in the world, the Detroit Teachers with over 4,000 members and resources of more than a million dollars. Mr. Pratt is of the Board of Directors of the Pennsylvania Credit Union League and is associated with the Philadelphia du Pont Federal Credit Union. Of the three vice-presidents who were on the former Executive Committee, Mr. Hillebrandt is Managing Director of the Missouri Credit Union League, John Moore occupies a similar position in California and Garfield Seibert manages the Kentucky Credit Union League. A complete summary of the business of the National Board meeting will be contained in a later issue of the BRIDGE, probably the July issue.

Next Meeting

New York was chosen as the place of the next meeting and it was decided to advance the meeting a month, the week end of May 11, 12 and 13 being selected as the date. The gift of \$10,000 from the Twentieth Century Fund was gratefully accepted. A budget totalling \$85,630 was adopted and no changes were made in the dues schedule. Reports were received from departments and officers and it was voted to locate permanently in Madison, subject only to the condition that the problem of our incorporation be worked out in satisfactory fashion.

Important committees, as for ex-

ample the committee on Medical Care and the rural credit union organization committee, rendered reports indicating substantial progress. Several applications were received for membership in the Founders Club and a vast amount of incidental business was done.

The National Board members lunched together at the Loraine hotel on Friday and on Saturday; there was a dinner meeting at the Park hotel on Friday evening and the Second Credit Union Jamboree entertained Board members all Saturday night. On Sunday, after the National Board had adjourned, the CUNA Supply membership met, the CUNA Supply Board, the CUNA Mutual Board, the Contact and Organization Department and innumerable conferences were in progress all day Sunday. During the session there were two meetings of the Executive Committee.

Reaction

After the meeting was over and we had all returned to the many states from which we had assembled we began to get reactions to the meetings. They can be easily summarized: "The Fourth Annual Meeting was the best to date. It proved the vitality and rapid progress of the credit union movement in the United States under the direction of CUNA."

It would be impossible to extend adequate thanks to those who made the meeting so successful. We had an interesting automobile trip about the city made possible by J. W. Jackson and the Board of Directors of the Madison Foundation. The Foundation did a great deal to make our meeting completely successful. We were all comfortably housed in the Loraine hotel and everyone was happy with the accommodations afforded and the smooth and efficient way in which the meeting progressed.

Al Gillette, who did so much to make our meeting a happy one two years ago, came back from Sheboygan to preside over the singing at the Jamboree and brought with him for the Filene Memorial services the A Capella Choir, which was the high point of the Saturday evening meeting. I have heard many fine choruses but this chorus was the finest I have ever listened to. We are deeply indebted to all concerned who made it possible for this chorus to participate so delightfully in our meeting. We owe a debt of gratitude to the staff at Raiffeisen House, the personnel who worked literally day and night after the fire to restore the office and to get out the details of the meeting in spite of great handicaps;

(Continued on page 24)

Credit Union Motivation

(Continued from page 13)

Jardins, one of the credit union immortals, "Let it never be forgotten that the credit union is an association of persons, not of dollars," is, and should be, a dominant thought in the minds of all successful credit committeemen.

Credit committeemen with this idea are God's gift to the credit union, and have contributed a great deal to the success of the movement. Drawn from the ranks many of these men would not be ornaments in the front office. Some of them can't even sign their names without wiggling their toes, but most of them are shrewd judges of human nature and are willing to give sympathetic consideration to the many factors involved in loan applications.

Another minor deviation from correct motivation is to become too accountant minded about the records. Accurate, well kept records are absolutely necessary and reflect favorably on the credit union and laxity is to be severely condemned. On the other hand the same shrewdness and grasp of the local situation of an ideal credit committee is not amiss in a supervisory committee, and is to be preferred to the cut and dried, theoretical auditor attitude.

Service Dominates

In the face of this critical analysis, does it appear that the service motivation has dominated in the credit union movement? The answer is decidedly in the affirmative. It is true that not all of the original purpose of any organization is ever attained. But with all its shortcomings, difference of opinion, misunderstandings, individual delinquencies, the spirit of service of the credit union movement is leaving a finger print on the world never to be erased.

One might say that on the surface it appears that the credit union movement is crushed and broken forever in Nazi-Germany. But is it? The outward shell is broken maybe, but the spirit is still there. The present mad, flaring upsurge in the country that cradled the credit union, is only the natural reaction to the hatred, fear and vengeance of the Treaty of Versailles. Some day this will run its course and the people will turn to the teachings of the founder of the credit union movement. And in the meantime while the storm of hatred and retribution is sweeping the old world, our great mission is to see that this fine spirit of Father Raiffeisen has an abiding place in America.



Judgement Notes

In these columns we solicit your reaction to any material contained in this, your magazine. Let us hear from you.

A Boost

Decatur, Illinois.

Dear Tom:

Your letter of December received and noted as of December 12.

Wish to advise that included in the 1200 subscriptions we sent in to begin with the December issue were the 250 renewals of those sent in during 1936.

I see no reason why we should not renew all of these from year to year and on top of that add any new ones that may have joined.

It is pretty hard to get a representative consensus of opinion from our group account of the spread of the membership, however, from those I have contacted from time to time and asked their opinion, it has been 100%.

It is my opinion that a great percentage of those in any credit union, of average intelligence and are able to read at all, sooner or later will read the BRIDGE. Some one in the family will start the ball rolling if the member himself doesn't.

We know what good it has done, is doing now, and will do in the future and it is too bad that all credit unions do not understand what it means to them directly and indirectly to have this personal message going into the home.

Regardless of what percentage might read it right now, we feel that to educate all to read it we must send it to all of them all of the time.

Yours very truly,
E. F. Arnold.

Increase

St. Paul, Minnesota.

Dear Tom:

The 37% increase in assets of our credit union this year we attribute largely to the fact that our membership received "The BRIDGE" during the past year. The enclosed check is to renew the subscriptions of our members for 1938.

Cooperatively yours,
E. F. F., Treasurer.

The Future

Shelton, Washington

Dear Editor:

Please do not let yourself be discouraged by those who criticize your work. You are doing a great job. I doubt whether the critics can boast of doing a great job in their particular line of work, otherwise they would certainly appreciate your efforts.

I am looking forward to the day when conditions will warrant a subscription for every member.

Sincerely,
P. E.

Substitution

Annapolis, Maryland.

Dear Mr. Bergengren:

It is noted from the February 1938 issue of the BRIDGE that you may abolish the movie section and substitute a department having to do with building homes, etc.

It is hoped that this substitution may be carried out, for I am sure all subscribers will be interested in the subject. I am personally interested as I contemplate building in the near future.

Sincerely yours,
A. J. L.

Hobbies

Sioux City, Ia.

Dear Sir:

I get a great deal of pleasure out of the BRIDGE and I think it is becoming more popular all the time.

Inasmuch as it is a magazine for the whole family and we all want our most interesting things as condensed as possible in the way of reading, why not include our hobbies.

No person is normal unless he or she has a hobby, so let's each do some writing for Hobbies.

The hobby in our family is the big universal hobby of Philately or stamp collecting. I think there is no more interesting a hobby than collecting stamps. I began over forty years ago and am still going strong. My wife and son are as enthused as I and we sure get a lot of pleasure out of it. It is also a good investment from a pleasure standpoint...

There are perhaps hundreds in the credit unions who do or would like to start collecting stamps. Personally I think a Stamp department in the BRIDGE would be received with pleasure by hundreds of subscribers.

What do you think of it yourself?

Yours truly,
(Sd.) J. F. C. L.

No Changes

St. Cloud, Minn.

Dear Sir:

May I take this opportunity to tell you how much I like The BRIDGE. If I were the Editor, I certainly would keep putting it out just as it has been for the past year. Your questionnaire of April asked for suggestions of improvement. My only suggestion would be not to have too many stereotyped departments, but to keep it as live and fresh and varied as it has been in the past.

With best wishes for your good luck,

Sincerely
L. L.

Up North

Pala Alto, California

Gentlemen:

As a member of the credit union board here, I was much gratified last spring when visiting the Miner's Credit Union at Reserve Mines, Glace Bay, Cape Breton, Nova Scotia, to be introduced to one of "the boys" as he deposited his week's savings. I asked what the union had done for him. He replied, looking about rather proudly, "Well, I guess you fellows know I was just dead broke before. But when I saw what the credit union would do for a fellow, I figured I could make it. So now I have a good wife, two kids, and a home partly paid for." Then he added, grinning at another chap, "Bill, I guess you're in about the same boat, eh?"

I thought you might be able to use this in the BRIDGE, somewhere.

Sincerely yours,
F. E. M.

Criticism?

Washington, D. C.

Dear Editor:

In answer to your questionnaire as to what could improve your magazine, "The BRIDGE", let me make one suggestion. PLEASE take that first letter e out of the JUDGEMENT NOTES section heading. I know "judgement" can be used, but the dictionary gives "judgment" first.

It's such a small criticism of such a swell magazine, that I am ashamed to sign my name.

D

Thanks in advance.

It's poetic license. We need the extra "e" for proper spacing between letters.—Editor.

Change of Address

Washington, D. C.

Gentlemen:

Please forward my future copies of the BRIDGE to my new address, as follows...

I am a member of one of the Federal credit unions and can't afford to be without the monthly issue of the BRIDGE, which I find most interesting in every respect; therefore, would appreciate your changing my address in order that I may be assured of receiving this wonderful magazine.

Very truly yours,
E. E. M.

The story of one of the most impressive of the thirty-eight Filene Memorial meetings recently held in thirty-three different states



★ ★ FILENE MEMORIAL MEETING ★ ★

NESTLED CLOSE to the grimy tenements that cast their dreary shadows over the narrow canyons of the lower East Side of New York, stands a dignified Colonial structure of red brick and white facades, dimmed by the soot and dust of the teeming streets.

The Henry Street Settlement Playhouse is a spot beloved in the hearts of many of New York's elders and children. Through its portals have come multitudes of young eager faces, searching for help, encouragement and relief from their drab existence. Each has received a warm response, a new hope and a new inspiration. Young men and women of all races, nationalities and creeds have found cultural and spiritual guidance beneath its roof. From it have emerged men and women, who, today, are eminent citizens; leaders in industry; in the arts and in the professions.

In this Temple dedicated to humanitarian service and cooperation there assembled, on the evening of January 22, 1938, a group of people—a veritable cross-section of metropolitan life, to pay tribute to the memory of a great humanitarian, Edward A. Filene.

A more appropriate setting could not have been selected for this occasion; for Edward A. Filene, like so many of the great men and women who found their inspiration for achievement in this institution, was, like them, born to a heritage of hardship and struggle. He, like so many

By NAT C. HELMAN

of the young men and women of the Henry Street Settlement, knew privation, suffering and the bitter struggle for existence. He, like so many of these men and women, though handicapped and underprivileged, rose to great spiritual and material success; and he, like them, imbued with the Gospel of cooperation, devoted himself and his wealth to assisting his fellowman.

As we stood on the platform and observed the auditorium filled row upon row with men and women, young and old, of many nationalities, of all walks of life, of varied ideals, we became impressed with the feeling that this cosmopolitan assemblage, of many varied and diversified interests, was, nevertheless, united by one common cause—to do honor to the man who has contributed so much to a great humanitarian movement.

The program arranged for the evening was simple but impressive. The first portion was devoted to the presentation of a playlet in several scenes which dramatically portrayed the realistic influences that the credit union movement brings to the lives of our people.

The scene of action, though laid in the lower East Side, might just as well have been in any large community in the United States. It depicted

the struggle of the young generation with our present day economic problems and the apparent helplessness of the situation. However, one of the young men of the group was inspired with the thought that if each member of the group would cooperate and make some little monetary contribution, a fund could be raised which eventually would assist them in the solution of their problems. Each contributed his little mite and gradually the fund grew until the point was reached where it was actually sufficient to make the much needed loans. A credit union was in the making! Rapidly the idea developed and the membership in the group increased. Its beneficent influence began to be felt. A young man stranded in a distant city was brought back to his home, to a job and rehabilitation; a young couple is financed in their marital venture, and still another young person is saved from the clutches of an unscrupulous money lender. And so despair is turned into hope, defeat into accomplishment and failure into success.

This little sketch was all the more interesting, for the young people participating in its presentation were all members of the Henry Street Settlement Federal Credit Union.

After this presentation Mr. Roy F. Bergengren, our National Managing Director, was introduced to deliver the memorial address. We make no attempt in these few lines to comment on this portion of the program

lest we detract from the great beauty of the thoughts and the manner in which they were expressed by Mr. Bergengren on this occasion. Suffice it to say, that Mr. Bergengren was truly inspired. He spoke with great feeling and moved his listeners to a full realization of the tremendous loss the credit union movement has sustained in the demise of Edward A. Filene. However, from his inspirational words we derived great comfort and solace, in the thought that Edward A. Filene has passed on to us a most valuable heritage—the credit union movement—which we, who are thus privileged, are bound to carry on. He has left an immortal monument to his human efforts! The meeting concluded with the audience standing in silent reverence to the memory of Edward A. Filene.

As each person filed out of the auditorium, a sense of deep satisfaction possessed us, for we realized that we had been privileged to participate in a memorable occasion in the annals of the credit union movement.

We Capture King Neptune

(Continued from page 5)

I had jumped in with a wooden paddle, teaming up with a friend of mine from Minnesota—a man by the name of Petersen, and we were literally “going to town” with the wooden paddles when a two-hundred pound woman pounced upon us with a piece of rubber hose. She chased us up to the third deck where we climbed the ladder. All that saved us was her fear of climbing the ladder after us.

At this point the captain and ship's officers, sensing the furious desperation of the losing loyalists, took a hand. They cleared the decks, promising all victims and intended victims certificates of admission to Neptune's kingdom.

Old King Neptune, a two-hundred and fifty pound salesman from Chicago, was wrathful as far as Rio de Janeiro. He denounced us publicly as gamblers and crooks.

The ship's officers stated that never in their memory had the passengers staged a revolt against King Neptune and his ceremony. They announced that thereafter they would take charge of the Neptune ceremony.

So sixty new liegemen were enrolled in the kingdom of Neptune, while the king, fuming inside his sea weeds, sank down to the briny depths where he replaced bathing beauties with mermaids and waited until the next ship steamed over the equator.



Just Another Blumin' Column

By HENRY C. BLUM

A HOY, THERE MATIES! Lookee who's here! None other than that mad-cap maestro from Madison; that simple Simon of synthetic symposium; that bally Blumin' idiot himself, in pu'son. The direful consequences feared following our muscling into these pages having failed to materialize as yet, we again cast discretion to the strongest of the four winds and once more mount the rostrum of fun and nonsense, in the interest of bigger and better belly-laughes. And now that all are again assembled, won't you please draw up a chair and adjust yourselves comfortably while I go into a tail-spin and come up with—gosh, folks, almost anything is liable to happen.

But before going on with this gag-ravating package of twiddle-twaddle, we're going to pause long enough to introduce our first contributor—charter member Number One in our just-this-minute-organized Chuckle Club. Ladies and Gentlemen! Presenting Mr. Henry Stricker, Jr.—of the New Jersey Strickers—a gentleman of the first water, an all 'round good fellow, and top-notch in the credit union movement down east. Scarcely had the ink thoroughly dried on our debut last month 'ere Mr. Stricker came bounding forward with the following mirth provoking yarn that caused this staid old commentator merriment no end:

It seems, so the story goes, that a well-intentioned but slightly misinformed member of one of our larger credit unions upon application for membership also subscribed for two shares of stock. Nothing wrong about that. In fact, it was a most noble beginning. But through one of those inexplicable quirks of circumstances, he went along blithely for some time, sincere in his belief that he was the proud possessor of two shares of stock—valued at \$300.00—in the company by which he was employed. No slip of the cup 'ere it reached the lip, nor bursting bubble ever caused such bitter disappointment as that experienced by the afore-mentioned brother credit unionist when he learned that his stock was worth merely the customary five bucks per. He was, however, a good loser, and may it be said to his everlasting credit, he vowed then and there to reach the 300 mark—the hard way. I for one sincerely hope that he has attained his goal.

Always desirous of being helpful, particularly to those who need it most,

this department herewith inaugurates a service to those who believe that the road to quick wealth is that taken by the horses at Latonia, Hialeah, Santa Anita, etc. After much study and considerable research, we have hit upon a system which we consider entirely fool-proof. The following are our selections on any track, most any day. But a word to the wise should be sufficient—even the track isn't straight. And if that isn't enough, bear in mind the bricklayer's lament—the hods are against you.

Slot Machine—Has never paid yet.

Share Balance—Go the limit. Sure to pay dividends.

Loan Shark—Interest running high. Sucker bait!

Net Profit—Looks good on the books.

Sandpaper—Liable to scratch.

Seasick Boy—Usually hugs the rail.

Cuna Cubs—Just a youngster. Will finish strong.

Treasurer—Always does his best.

Bridge—Has what it takes—backbone and courage. A sure winner

Filene—A noble spirit. Has tremendous following.

Keeping pace with the “Joneses” has always been quite a problem. With the coming of the credit union, however, it has been somewhat solved. Now with the advantages to be had by joining a credit union the gap that once separated the haves and have-nots has been most happily BRIDGED. The only thing that the “Joneses”, who do not belong to a credit union, have, and the Smiths, the Browns, and even the Joneses who do belong, do not have, is a mailbox full of headaches around the first of each month.

When it comes to headaches, did you know that 4,000,000 tons of aspirin were consumed last year. Wow! What a headache that represents. And if all those individual headaches were placed side by side, they would still extend no further than from ear to ear. This sort of thing gives me a headache even to think about.

Well, here we are right down at the bottom of the page—no more room, no more of this silly gibberish. Having seen a steam shovel tearing up the soil with reckless abandon sort of gives me an idea. Think I'll go out and play me a bit o' golf.

CUNA Meets Again

(Continued from page 20)

in this connection we never could have had the office ready had it not been for George Keachie, who has helped us so much with all practical problems since coming to Madison. Governor La Follette and Mayor Law were both most helpful and addressed our meeting and made us feel at home. We are deeply indebted to the band at the Oscar Mayer plant for supplying such good music; it was the band that got us up onto our toes and started off the Jamboree on such a high note that it was bound to be successful. To the University of Wisconsin for the use of their flags and to the Masonic fraternity in Madison for so many courtesies in connection with the use of their quarters—many thanks.

We are profoundly grateful to Freeman H. Brown and to Miss Grace Martner for the film showing CUNA in action which was such an attractive feature of the Saturday evening meeting. They are of the Department of Visual Instruction of the University and were most cooperative in the preparation and presentation of the film.

A special vote of thanks goes out across the Pacific to B. M. Johnson, who came from Hawaii to prove that we had reached already half the way to Japan, and to A. S. MacIntyre, who came from Nova Scotia, a symbol of the rapidly developing credit union movement among our brothers across the Canadian border. We might go on very appropriately with thanks forever but must stop somewhere. It was a great meeting.

There was throughout, however, a note of sadness. For the first time our great Founder, Edward A.

Filene, did not participate. And how we missed him! No one can ever take his place. No circumstance can ever dim our memory of him. And his great spirit hovered over our meeting. We were all conscious of that fact and our determination to build a right and useful memorial to him was, after all, the greatest product of this very productive session.

And so—"Filene House by 1940!"

Goal of the Golden West

(Continued from page 7)

So Treasure Island will bear no resemblance to the stacks of canned goods, the miniature macaroni-factories, the ranks of blue-ribbon products that have been characteristic of World's Fairs. Treasure Island will have a lilting warble to its song; it'll be a place to have fun, and to find out about other places where you can have more fun, next year or the year after, when another vacation comes around.

Treasure Island is making no move toward mere "Bigness." You can get foot-sore tramping around the golf course, or in a thousand other ways, without coming to a World's Fair. So Treasure Island, exactly 400 acres large, will be a compact Fair with gem-like beauty in deft little touches—not an effort to cover all outdoors with smashing super-spectacles that weary the credulity.

One of these deft little touches is the stucco that will cover all the walls that frame the courts and concourses. By turning their buildings "inside out," Exposition stylists have achieved a stucco that will glow with living fire by sunlight or under the Fair's million-dollar night lighting plan. It's done with a cheap insulating material something like mica, but you don't care about that . . .

Another deft little touch is the system of making each court distinctive and distinguished. This will be done with color, carried out even in the blossoms of growing trees and plants, varying gradually from one court to the next without shocking contrasts.

Beauty and fiesta are so definitely the objectives of Treasure Island that it's disagreeable to come down to mere mundane facts—yet it has to be done. The island itself cost about \$4,000,000; World's Fair construction will total more than \$17,000,000, and the scope of the show will reach \$50,000,000. After forty weeks of Fair, the carnival palaces will be stripped off and Treasure Island will become a municipal airport, serving nearly 2,000,000 residents of

cities surrounding San Francisco Bay.

Progress, the thing that makes the new leisure, will be pointed by more than a hundred outstanding industrial exhibitors on the present dope-sheet; many more will be added in future months. Foreign nations definitely committed as participants already exceed a score, and these will erect characteristic buildings around the chain of lagoons that will make up the Pacific Basin area. A forty-acre Fun Zone, a slice of living history in the Cavalcade of the Golden West, a somewhat fumigated Barbary Coast, an authentic China Village, a Fine Arts Collection of unprecedented merit . . .

All this, and more that space rules out, means entertainment for any taste, and education, if it's wanted, along any specialized line from Aviation through Business Efficiency to Model Homes. The Golden Gate International Exposition, bringing so much into such compact space, will be a powerful incentive next year to all those who have in their bones the urge to come West.

It will be the incentive, but not the whole picture, for it's only the pot of gold at the end of the trail. Along the trail lies the West itself, and the trail is smooth and dustless. Western highway travel these days is just a long Sunday ride, with infinite variety and novelty along the way . . .

That's why the Western World's Fair begins at that milestone outside your home town where you begin to feel you're really going somewhere. It comes to a climax when you roll across the Bay Bridge, or the newer Golden Gate Bridge with its cables that sing in the breeze—and find yourself on the threshold of Treasure Island.

for

**Borrower's Protection
Insurance**

or

The Life Savings Plan

ASK

the service of

**The CUNA MUTUAL
SOCIETY**

for

Accounting Forms

Posters

CUNA Emblems

ASK

the service of

**The CUNA SUPPLY
COOPERATIVE**

BRIDGE BOOKLET SHELF

A SERVICE DEPARTMENT FOR OUR INQUIRING READERS

The booklets listed here are available free of charge. They are selected for their utility and educational value... each is listed after a careful examination, after determining that it is descriptive material which will bring informative helpfulness to CUNA homes. Requests for booklets listed should be made by writing the Service Editor, The BRIDGE, Raiffeisen House, Madison, Wisconsin.

☐ **BABY TALK MAGAZINE**—A free copy of this monthly magazine of information for mothers of infants, 32 pages of mother saving, baby-care household hints, will be sent to BRIDGE readers requesting it. Age of the baby, or the expectant month information will be appreciated.

☐ **RURAL RADIO MAGAZINE**—Is an illustrated and informative publication of special interest to all members of rural credit unions. A sample copy of the current issue will be sent free.

☐ **"NUTRITION AND THE IMPORTANCE OF MEAT"** is the subject of an illustrated 44-page booklet with authoritative statements on the various food essentials, charts showing graphically the comparative nutritional values of common foods, and the food essentials furnished by meat. This booklet should be given a careful study by every adult and is prepared at great expense as a part of the educational program conducted by the National Live Stock and Meat Board.

☐ **GOSPEL PENCILS** are prized by many people and are made with the 23rd Psalm, Ten Commandments, Lord's Prayer and/or Beatitudes, printed plainly on a small barrel cover. Credit union members will be sent one such pencil free on request if they will mention the name of their Sunday School and agree to show the pencil to their credit union member and church friends. The free pencil offer is for a limited time only. An arrangement may be made with this manufacturer to sell Gospel Pencils as a means for raising funds for social funds.

☐ **"THE DUTCH KRAFT MANUAL ON WOOD FINISHING"**—considered by experts to be one of the most thorough, practical, and helpful Manuals of its kind ever written for home use. It tells you in understandable terms how to prepare article for the final finish—sanding, staining, varnishing, shellacing, filling, waxing, enameling, etc.—There are twenty-eight pages which will guide you step by step to the final finishing process: Chronological listing of steps in the finishing process and a complete glossary, published by the Dutch Kraft Corporation, subsidiary of the Grand Rapids Varnish Corporation, Grand Rapids, Michigan."

☐ **"TWO EXTRA VACATION DAYS IN COLORADO"**—Do you know that thanks to current speedy streamline train service you can board a west bound flyer in Chicago late in the afternoon and be in Mile-High Denver early the following morning? This type of service, which incidentally is air-conditioned and luxurious to the "nth" degree, is offering vacationists two extra vacation days in cool, colorful Colorado—and two extra days mean much in this mountainous paradise which offers such an endless variety of places to go and things to do. Hiking, riding, fishing, swimming, golfing, camping—these are among the myriad of invigorating outdoor activities available in the incomparable Colorado Rockies, plus which one may "rough it" in cabin or chalet, or choose from a host of inviting hotels and resorts. Check this paragraph if you would like a beautifully illustrated booklet describing colorful Colorado.

Should you not wish to destroy this page in your magazine by checking the booklets desired, detaching the page, and mailing it to the Service Editor, you may make your request in either letter form or on a penny postal by listing the desired booklets. Make sure that the name and address is clear... mail to Service Editor, BRIDGE BOOKLET SHELF, Raiffeisen House, Madison, Wisconsin.

Street..... City..... State.....
Name.....

THE BRIDGE — May, 1938

Blindman's Bluff

(Continued from page 3)

"Naw, ya don't," he said, a surly contempt in his manner. "Ya take 'im in and his old man buys 'im out for fifty bucks. Not on your life. We're handlin' this our way. We'll learn these rich punks somethin'. We're goin' to give this one the beat-in' of his worthless life."

A loud chorus of approval came from the crowd beginning now to press in closer.

Suddenly, Dan thought of the blind man. After all, a cop's first duty is to the injured. He realized vaguely that he hadn't thought of "Pencils" before because they all said he was dead. But now—well, maybe he could stall them for a few minutes and someone might have sense enough to phone for help.

"Hey, wait," Dan shouted loudly. "Wait a minute. Where's 'Pencils'?"

Someone pointed to the sidewalk.

Dan knelt beside the inert figure. It was the blind man, who, for nearly a month, had been sitting in front of the State Bank, his hand full of yellow pencils. No one knew who he was, nor where he had come from. But the man was dead, no doubt of that. An ugly, ragged gash had plowed across his right temple. His black glasses were gone, and his eyes were wide open, staring glassily into the sky. Strangely, they looked almost normal.

Big Dan jumped to his feet. The crowd was waiting, watching.

"Say, you fellows," he said, with a queer little laugh. "This is good. Know who 'Pencils' is? He's 'Whitey' Silver. Case man for the Martello mob. The department's been huntin' him for months. He wasn't blind. That was a gag. See for yourselves. His eyes is natural. Bet ten bucks he's been casin' the State Bank for Martello."

Dan did not wait for the crowd to recover from its surprise. He cut his way through to the young man immediately. "Come on, you," he said, simply. "You'll probably get a medal for this. Help me get this crook into your car. You're takin' us to headquarters."

At the station, Dan left the body in the car and marched the young man directly inside. A lieutenant was on duty at the desk.

"Lieutenant," said Dan, softly. "Lock this fellow up. Manslaughter."

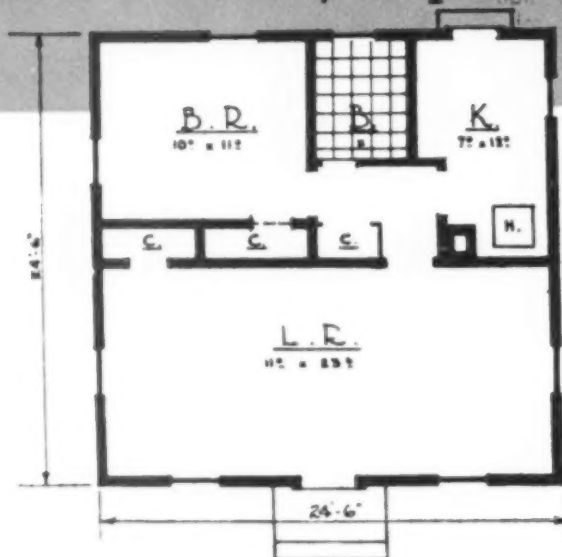
His companion was dumfounded. He looked at McCarthy, oddly. "Why—I—er—I thought you—"

Dan faced him. "Yeh, that's just your trouble, young fellow. You didn't think. It was me did the thinkin'."

BETTER HOMES *for Your Budget*



Minimum Cost, Expansible Garden Apartment



BASIC UNIT FLOOR PLAN

LET'S BUILD A HOME! All over the United States working people are getting tired of paying rent and deciding that it's about time they owned their own homes. And it's a swell idea, if you can afford it, for there is a crying need for more and better houses in which the children of America can be brought up in good surroundings and the parents of America can enjoy the fruits of their labors.

But it's no easy task, and it all costs money, usually more than you figure on at the start. If we're going to build a home, we must be sensible about it. In the first place, if you have an average family, the total cost of your home should not exceed two years' income. You can't afford more, no matter how much

money you're making, and if you can spend less, so much the better.

Furthermore, there just isn't any sense in building a home unless you have a liveable, modern house when you're all through, a house which you can improve later and a house that will last. Last month we printed a picture of what not to do. The house in question cost \$1,000, the owner used his own labor, and when he got through, he had only a shack, no basement, in spite of the northern location, no heating, insulation, plumbing or adequate lighting. That particular thousand dollars was wasted and would have been spent better for rent.

And yet many people are doing just this sort of thing. The BRIDGE wants to discourage it, and encourage you to invest in a house which will pay dividends only, of course, if you can afford it. So this month we are offering to our readers the first of a series of eight house plans for your consideration. All eight of them have been prepared by the National Small Homes Demonstrations in Washington, D. C., and they have been carefully worked out by experts. The various plans will vary in size and cost, but all are figured as economically as possible. They are designed especially to fit the needs of the working folks of America.

The house for this month is called a "garden apartment" because it is just that, a minimum cost, minimum accommodation house designed to meet the necessities of two people. In the basic plan it contains living room, kitchen, bedroom and bath, but it is so constructed that additions may be made as shown in the alternate plan in order to obtain a dining room and additional bedroom. Complete lists of materials and working drawings for this house, including three alternate plans are available for one dollar. Of course the alternate plans are more expensive. The alternate plan reproduced on this page is the cheapest since it is the only one which can be built without a basement.

Of course, it is next to impossible for the BRIDGE to estimate the cost of any house. Prices of lumber and other building materials, necessities within given locations, and many other factors enter into the cost to such a varying degree, that the only

way to find out what this particular house would cost in your locality, is to submit the plans and specifications to your local contractor, architect or lumber dealer. He will give you an estimate free of charge.

On the other hand, we have had an estimate made here in Madison. This represents a maximum, since Madison is in a northern climate, and the building costs including materials, labor, etc., are as high in Madison as in any part of the country.

to \$2100, and certainly there are many savings which can be made over our estimate of \$3300. In the first place, if you live in a locality where building costs are less, you can pocket the resulting savings. The house may be built without basement which would decrease the total considerably. Of course, if you live in a southern climate, the cost can be reduced to a minimum.

Any way you figure it, however, the only true method of finding the cost of any house is by having it estimated locally. Building a home is a serious business, and it cannot be taken lightly. There are details galore to haunt you, but they haunt you most if you overlook them. You must first decide how much you can afford to spend. Then find a plan within your price range. Don't overlook any of the little things, as there are so many of them that they will total into significant sums. We will try to sound a few warnings along this line in future issues.

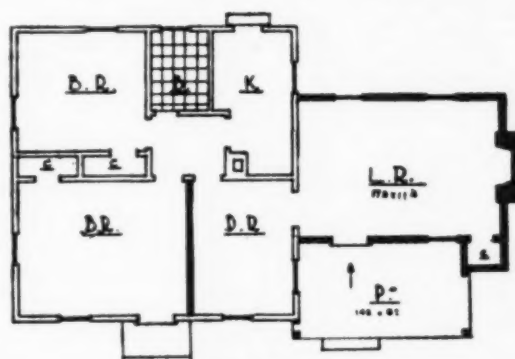
In the meantime, this is just a start. If you are seriously interested in this plan, send a dollar to Better Homes for Your Budget, care of the BRIDGE, Madison, Wisconsin, and we will send you complete plans and lists of materials so that you can go to your local contractor, and find out just what it would cost to build this home in your community. And next month we'll present another plan along similar lines, yet a little different and suited to the working man's

pocketbook as will be all the house plans reproduced on this page.

Better Homes for your Budget is now officially launched. We want your reaction, and we solicit your individual problems, for obviously this page must be more or less general. We can help you and give you advice through personal correspondence on the details which must be omitted from The BRIDGE due to lack of space, and we shall be able to improve the service as we gain in experience. The home for June will be in the cost range of from \$2,000 to \$2,400. The living room is a little smaller than in the home for this month, but the plan calls for two bedrooms and an additional utility room which increases the foundation dimensions to 22 feet 10 inches by 31 feet. Let us hear from you.



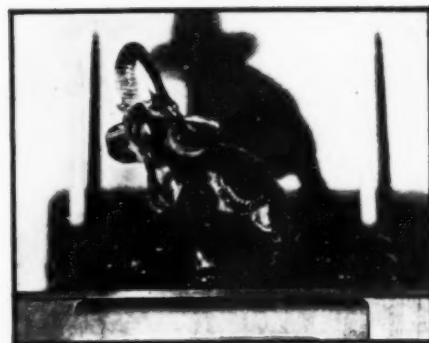
I-C This alternate provides a porch on the front and one additional bedroom. This plan without a basement is probably the least expensive of the three variations of Demonstration House 1. The original unit may be heated with a space heater or in mild climates by a fireplace. The other additions provide basement space for heating facilities.



FIVE RM. HOUSE BY ADDITION OF LIVING RM. & PORCH.

Our estimate totals \$3,300 for the complete house. You will note that the design on the basic unit plan does not call for a basement, but we have included a basement in the estimate in order to be sure that we are not too low on our price. This estimate, too, includes complete equipment—warm air heating, shingled roof, lighting and electric fixtures, all inside plumbing including complete bath, modern insulation, poured concrete foundation, basement, hardwood floors, lath and plaster walls, storm sash and screens and window shutters on the front of the house. The estimate does not include cost of land, grading or any work done outside the house itself.

The cost range figured for this particular house by the National Small Homes Demonstration is \$1750



How To Judge Pictures In Your Photo Derby

By E. M. JORDAN

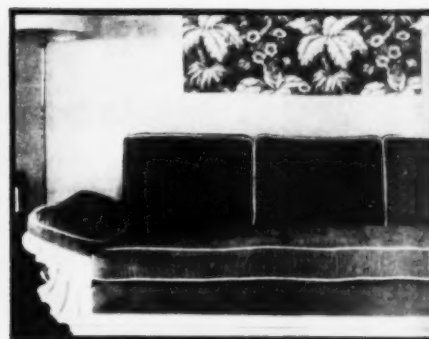
LAST MONTH I told you how to start and run off a Photo Derby. This month I will explain the best method for judging and awarding prizes so that no one's feelings will be hurt.

When you send out your invitations to your next party be sure and call your guests' attention that this is the climax of the Photo Derby. Warn them to be sure and bring three of their best prints. They can be any size, they can be enlarged or just ordinary size; the size of the picture will make no difference in the judging. Give your guests about two weeks warning and be sure to ask the same ones that were at your last party, or you may find yourself in an awkward position. During the two weeks that your guests are busy picking out and deciding which of their prints to enter into the competition, you yourself must get busy.

First you must procure a large sheet of wallboard, or cardboard will do if the wallboard proves to be too expensive. Or you may use several smaller squares of cardboard if you cannot easily procure a large sheet. If your home has a railing or a ledge around the walls of one of the rooms—then your problem of where to set your sheets of cardboard is simplified. If you do not have this ledge



May PHOTO FORUM



or railing around them, do not mar your walls by using tacks to hold the cardboard. Instead, move several small tables over against the walls, and set the boards on them. Next, neatly letter a number of small squares of white cardboard or paper with numbers running from No. 1 on up. The amount of numbered squares depends on the number of pictures you expect to be placed on exhibit.

A visit to the 10 cent store to purchase a couple of boxes of thumb tacks and some scrap paper and you are about ready for the fireworks to begin. As each guest arrives with his prints, you or some other member of the family will take charge of them. After showing everyone out into another room, you and your assistants quickly thumb-tack each print on the board with a numbered square beside it. One of your assistants must write down the numbers of each of your guests' pictures along with their names so that you will know which person each picture belongs to. After you have completed this task you are ready for the judging.

With the pictures neatly arranged on the cardboard and each board in a good light you may allow your guests to enter. The manner in which the judging is carried on is as follows. Each person will examine the prints as he or she wishes, and as no one will know whose print is whose except possibly where close neighbors have shown each other their prints, he will not be led to vote any way except as he wishes. Each guest will write on a small scrap of paper the number of the picture that he thinks is best, the number of his second choice and the number of his third choice. As they pass from the room they will drop their votes in the ballot box. After everyone has voted you may count the votes and award ribbons of Blue, Red and White to the prize winners.

Let's hope that you have some keen competition among your guests, and let's see some prize winners of Box Camera Photo Derbies appear in the Photo Forum.

THE BRIDGE — May, 1938

The Pictures

"Spring Storm." Feature picture of the month comes from Glenn Nichols of Pueblo, Colorado.

"London Bridge." Taken with Panchromatic film. 1/100 sec. at f 6.3 by F. A. St. John of Denver, Colorado.

"Still Life." This "desert scene" was sent in by R. J. Ludke of Savannah, Georgia.

"Moonlight." A beautiful study in the artwork of old mother nature sent in by Bernard P. Lemke of St. Paul, Minnesota.

"Catastrophe." Or "The Sinking of Number 12" is the title of this picture by Harold Mayeux of New Orleans. Taken with an Eastman Kodak 116, 1/50 sec. at f 11.

"Indoors." Inspired by Mr. Jordan's article of a couple of months ago, Dorothy Dreker of North Hollywood, California, took this picture.

"Melting Snow." Miss Joyce June Ludke of Detroit (any relation to Mr. Ludke down in Savannah?) took this wintry scene with her camera set at 1/25 sec. f 11.

"Yum!" It's pretty hard to get more human interest than this. Contributed by Howard Hanson of St. Paul, Minnesota.

"Bridge." Taken at Memphis, Tennessee, by F. R. Weaver of Little Rock, Arkansas.

"Homeward Bound." Taken from a fifth story window at 1/250 sec. f 4.5 by William Zetsche of Milwaukee.

"Morning Ritual." Contributed by Mrs. Robert C. Smith of St. Paul and taken with a Kodak No. 620 with portrait attachment.

"Floating Gardens." These beautiful tropical gardens are located a short distance outside of Mexico City. It's the tops for a honeymoon! Taken on a recent trip by Walter Lehnhardt of Santa Ana, California.

Remember

One dollar for any photo reproduced on this page. Pictures not reproduced and accompanied by a stamped return envelope will be returned. By the way, we don't need the negative, just the print.



CUNA CUBS



Little Son

"I CERTAINLY would like to go down to Uncle Jasper's this summer," pondered Little Son, seriously chewing on a piece of grass. "—way down south in New Mexico. We'd see the desert—the painted forest where all the trees have turned to stone—an' maybe a coyote. I bet there'd be lots of cowboys, an' horses, an' . . ."

"An' Molly," sighed Barney with a blissful expression on his comical face.

"Who's Molly? What do we want to go down to New Mexico just to see a girl for?" Little Son asked disgustedly. "We can see plenty of them up here."

Barney ignored the question, and with a dreamy look in his eyes said, "Molly has such lovely ears, so long and silky, an' her big brown eyes would drive you loco. Molly—she's the little burro friend I used to play with down at Uncle Jasper's before he sent me up here to you. We used to run and play tag around the cactus plants all day long."

"Maybe I could get a sombrero, one of those big ten gallon hats the cowboys wear, and a pair of cowboy boots. Boy, that'd be swell," sighed Little Son. "Come on, Barney, let's go and ask pop about it."

Little Son's Mother was peeling

Who Are the Cuna Cubs?

To all of you who are reading this page for the first time, Ursa Major extends a hearty welcome. The CUNA Cubs are a rapidly growing organization of boys and girls whose parents are readers of *The BRIDGE*. The purpose of the Cubs is to bring these boys and girls together so that together they can learn something of the credit union and its activities. This is carried on through the Little Son column. Little Son is the son of the Little Man Under the Umbrella, symbol of the credit union movement, and he has a pet burro named Barney. Little Son and his Burro are forever looking into the credit union movement to find out what it's all about.

Eventually we hope to form local chapters of the Cubs to hold regular meetings. If you want to join the cubs, you'll find a membership blank on the last page of *The BRIDGE*. The only rule for membership is that your dad or mother be a subscriber to *The BRIDGE*.

potatoes in the kitchen sink and the Little Man sat reading the evening newspaper when Barney and his master burst through the door. Suppressed excitement shone in their faces. Little Son could barely stand still. He jiggled around from one foot to the other, finally remarking.

"It's about time to plan our vacation, pop, isn't it?"

"Oh, I don't know," murmured the Little Man, not even taking his face from behind the paper, "it's a little early in the year yet."

"But everybody's plannin' their's now. Why the Kelly's next door have their map all figured out and they've even begun to build their trailer already."

"Besides, we can't afford to go very far this summer," offered mamma, "we spent too much last year going to Tennessee."

"What's on your mind, son, where would you suggest going?" questioned the Little Man, curious to find

out why Little son was so excited.

"Barney and I want to go down and see Uncle Jasper. We want to see wild Indians and cowboys and Molly an' stone trees an' . . ."

"But there aren't wild Indians anymore! And I think you'd be disappointed with the cowboys, too! They're just farmers like those living around Centerville," laughed the Little Man.

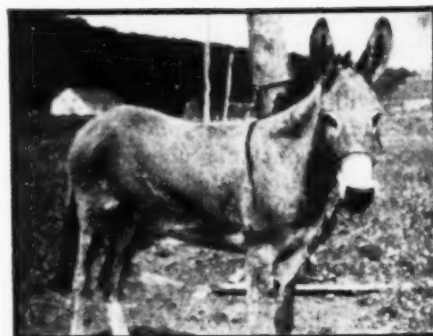
"But I want to go to New Mexico, and so does Barney. That isn't very far and we can afford it, can't we?" asked Little Son.

"Well, maybe we can arrange it. If we get another loan from our credit union, we'll have enough to travel on . . . my, mamma, I'm glad we belong to that credit union," the Little Man said, as he patted his wife on the shoulder. "We've been able to do so many things since we joined it. Why, it's easy to borrow and you don't notice the paying back at all. I'll go over to Jake Rivers, our treasurer, an' see about it tomorrow. Yes-sir, I'd like to see good old Jasper again. Wonder how his cucumbers are growin' this year!"

Molly

Below is a picture of "Molly." It's a coincidence that it was sent in to the CUNA Cubs after the Little Son column for this month was written.

This Molly must be a twin sister or at least the cousin of the Molly which Barney talks about. She lives way up in Togus in the state of Maine and she belongs to a CUNA Cub, Colleen Littlefield.



May Contest For Cubs!

Three dollars in prizes—and all you have to do is to write to Ursa Major about "Why I Save Money in My CUNA Cub Bank." That's all, Cubs, 50 words or less on your reasons for saving your pennies, nickles and dimes in your CUNA Cub Bank. It's lots of fun to see the pennies pile up, and it certainly doesn't take long to fill one of those little wooden banks Ursa Major sent you.

Let's have those letters in as quickly as possible, so you'll have a good chance of winning one of the prizes!

What's In A Name?

WE NOW HAVE over 1,000 CUNA Cubs, and looking over the ranks we find names of all kinds. (Perhaps yours is among 'em.) In the trades and occupations we find seven MILLERS, a DYER, a WHEELER, a BREWER, a SHEPHERD, an ARCHER, two BUTLERS, a TAYLOR, two CARPENTERS, three GARDNERS, and one solitary WORKER.

There are two FLOODs, with a GALE following closely behind. From the BRINK of the BROOKS we can see an EDDY. Nearby they are digging COLE out of the ground.

We have a RHOADES and a RHODES, so take your choice, with a LANE nearby, three STREETS, with PARKS, and four KASSALS to build along them. Besides those we have two GREENSTREETS.

In colors there's quite a variety. WHITE predominates. Then comes BROWN, GREENE, BLACK and LAVENDER.

Our choice of foods is meager, although we have a COOKE and a COOK to prepare it. We've RICE and ALMANDS to eat, and we can FRYE some VEAL, and perhaps have a few BARRYs for dessert, but that's all.

Among the WILDE animals, bugs, and birds, we have a FINCH, two LEACHes, one BEADLE, and two wolves, a WOLFE and a WULF. We

should have a couple of ROHRS in here, but there's only one.

There are some famous men accounted for among the Cubs. They include WASHINGTON, CODY, SAMSON, MONROE, ADAMS, STEVENSON, and ARNOLD.

Alas, there's only one HOLIDAY, but there's a variety of oddly assorted names, such as HORN, STILL, CASE, HOOK, SASS, two HARPS, SHIVERY, KYTE, OBEY, CROSS, HUNT, BOND, COBB, GRAVES, PEARL, COTTON, JUSTICE, JOY, with a BLACKSTONE, a LITTLEFIELD, a GOODHART, and two LITTLE girls thrown in for good measure.

Welcome To Spring

"JUST BECAUSE it's Spring!" writes Betty Kay Parker, author of our prize-winning poem for this month's "Spring Poetry" contest, "I feel gay and happy." And I bet every one of you Cubs feels gay and happy too, now that spring has arrived and you can play out-of-doors with the boy next door and the girl down the block.

The CUNA Cubs sent in many fine poems for our contest this month. They were such dandies that I had a plenty tough time choosing the best and awarding the prizes of one dol-

lar each. The "Ode to Spring" by Betty Kay Parker, who is 15 years old, and lives in Champaign, Illinois, shows an excellent choice of words and good rhythm. Above all, it paints a beautiful picture of spring as you and I know it, with "azure skies" and lazy hours under the sun. Here it is:

Ode to Spring

When clouds ride high in the azure sky,
When robins and blue birds sing,
When rain softly falls on the new
green grass,
When deep pools and brooks are
teeming with bass,
When one never counts the hours
that pass,
Why then we say it's Spring!

When days dawn bright in the early
light,
And when every living thing,
Springs to life from the rich brown
earth,
Encircles the world with a fragrant
girth,
Changes all sorrows to joy and mirth,
Why then we know it's Spring!

Betty Kay Parker
1011 Tremont
Champaign, Illinois

A mere slip of a girl, six years old, sent in the following verse about "Spring" which wins for her a one dollar prize. It's a fine poem for such a small Cub and certainly deserves the recognition we're giving to it.

MORE CUNA CUBS—1. Paula and 2. Junior Harp, Oklahoma City; 3. Michael Goudy, Syracuse; 4. Barbara Ann Johnson, Decatur; 5. Bernice and Esther Moranec, St. Paul; 6. Ted Chronis, Brighton, N. Y.; 7. Jean Thomas, Wash., D. C.; 8. Joyce Lee, East Point, Ga.; 9. Rita Powers, Rochester; 10. Darcy Mahan, San Francisco; 11. Nellie Balmert, Olympia, Wash.; 12. Iris Husbands, Roxbury, Mass.; 13. Ruth Juergens and Dad, Cleveland; 14. Gilbert Meyer, Neenah, Wis.; 15. Omar Walker, San Antonio; 16. Robert and 17. Kenneth Canfield, Santa Ana, Calif.; 18. Barbara Mae Meyer, Neenah, Wis.; 19. Eugene Ewell, Jr., Dayton; 20. Florence and Olive Secord, Dalhousie, N. B., Can.; 21. Harold Geraghty, St. Louis; 22. Stanley Larson, Denver; 23. Bea and Bev Sydlowski, Cleveland; 24. Mildred and De Forest Clark, Akron; and 25. Lois Peterson, Hartford.



Harriet LaRue of Des Moines, Iowa,
is its author.

Spring

My little yellow kitten
Is fluffy and sweet.
She washes very clean
And does not forget her feet.
Harriet LaRue (6)
1409, 43 Street
Des Moines, Iowa

"Spring Rain" draws the third one dollar prize for Mildred Clark, 12 years old, of Akron, Ohio. Mildred, who is called "Toots" by her pals, presents spring with its showers and bothersome old rubbers that mother makes us wear. We know that we should put them on, so we can keep our feet dry, but still it's an awful task. Here's Mildred's poem:

Spring Rain

April's coming to a close,
When it does the rain will go
And we can play out in the sun,
Hop and skip and ride and run.
Mother won't be calling come,
Get your rubbers on.

Trees will bloom and flowers will grow,
Dogs will bark and school will close.
Us CUNA Cubs will sure have fun
Playing all day in the sun
Without our mothers calling come,
Get your rubbers on.

Mildred Clark (12)
500 N. Howard Street
Akron, Ohio

For honorable mention we have these three excellent poems. In fact, they are so good we just had to print them, so here they are:

God Gives Us Spring

The spring comes, right out of the blue
With birds, and flowers and fresh air,
too,
And God gives all these things to you.

Rita M. Powers (12)
96 Vayo Street
Rochester, N. Y.

The Sidewalk

The sidewalk is a grayish walk,
Where people walk along and talk.
Upon it I can run and play
And that's th' way to be happy and gay.

Fanchon Miller (12)
2814 Fremont Ave., S.
Minneapolis, Minnesota

Springtime

Springtime is the time to play,
When all the birds just seem to say,
Come out! Come out! Spring is here,
You should come out and give a cheer.

Out you go with a merry heart,
Grab an apple 'fore you start,
But at noon you come home again
For it has begun to rain.

But in another hour or two,
It has stopped all but a few,
Lingering drops that must come down,
Before the sun shines big and round.

When the sun has begun to shine,
Out you go for inning nine,
Of the baseball game you had begun,
Before the rain chased 'way the sun.

Katherine Dozier (13)
5100 Georgia Avenue
Nashville, Tennessee

How To Join the CUNA Cubs

First there are just a few rules for our Club although *there are no dues*.

(1) We are going to join Pop's credit union if we can get in and save some of our pennies after we get a Cub bank.

(2) We are going to read our own page in the BRIDGE and send pictures in when we have good ones and write each other once in a while through our own Postoffice which is CUNA Cub Postbox, c/o The BRIDGE, Madison, Wisconsin. In these letters we'll tell what we like to do, about our games and our vacations, etc., and get acquainted.

To Join; get a postcard and copy the following words. We would advise you to cut out this application and mail it in but Pop wouldn't want you to cut his copy of the BRIDGE, he likes it too well. Address the card to CUNA Cub Postbox, c/o The BRIDGE, Madison, Wisconsin.

I WANT TO JOIN THE CUNA CUBS!

I want to join the CUNA Cubs. This is my application. I understand that I will receive (1) a membership button; (2) a book of rules, and (3) a penny savings bank.

My name is

Address

The Credit Union in my family is the Credit Union

The kids call me I was born on

The Cubbyhole

HAVE YOU FOUND a CUNA Cub pal to write to? Well, here's your chance! The Cubs are writing in thick and fast in order to get their names in our cozy "Cubbyhole." Choose a name and address and write to a friend across the country or in Canada. Here are the would-be pen-pals for May:

Rita M. Powers, 96 Vayo Street, Rochester, New York, is 12 years old. "I like pets and I like to swim and ride a bicycle," she writes.

Leonard Slivinski, 6723 Fleet Avenue, Cleveland, Ohio, is 12 years old and in the 5th grade. "My hobby is dogs, saving stamps, and skating."

Iris Husbands, 22 Cedar Street, Roxbury, Massachusetts, is 10 years old. "My hobby is roller skating. I am one of the fastest skaters in my neighborhood. I would like to write to some members who are interested in nature study."

June "Juney" Brittain, 2419, 9th West, Seattle, Washington, writes, "I am 13, go to high school, and I have several different hobbies. I will answer all letters promptly, as I enjoy writing them. If I can, I would like a pen pal in or around Philadelphia, Pa."

Florence Secord, Box 205, Dalhousie, New Brunswick, Canada, is 17 years old. "I enjoy all sports, but my favorite is skiing. . . I love it, but I spend more time falling than anything else. I will gladly exchange snapshots."

Irene "Rene" Swinnard, Dalhousie, New Brunswick, Canada, 16 years old, likes all outdoor sports such as tennis, swimming, skating and skiing. "My hobby is writing to boys and girls in different countries," Rene says.

Jean Thomas, 2654 New Hampshire Avenue, N.W., Washington, D. C., is 9 years old. Her best hobby is dancing, and she writes, "I would like to hear from some of the children of my age."

Jean Williams, 4726 Cooke Street, Duluth, Minnesota, is 14 years old. "I would like very much to have pen pals," Jean writes.

Kathryn McNulty, 214 Isanti Street, Duluth, Minnesota, writes "I would like to find my twin, but will write to anyone. . . I like ice skating and bicycle riding. I am in the 8a." April 2, 1924.

Thomas Voros, Jr., 3843 E. Allerton Ave., Cudahy, Wisconsin. Tommy is 12 years old and would like to write to many boys or girls. "I like to write letters of any kind," Tommy says.

Ted Chronis, 12 years old, 236 Brooklawn Drive, Brighton, New York, is a Boy Scout. He would like to trade stamps, coins, and match covers with other CUNA Cubs. Ted earned money for his Cub Bank by shoveling walks "for we had much snow even though it's supposed to be spring."

Mildred and De Forest Clark, 11 and 7 years old, 500 N. Howard Street, Akron, Ohio, would like to write to Cubs.

Cornelia "Peanut" Holbrook, 71 Belle Mead Avenue, Atlanta, Georgia, collects buttons and pins on a hat she has. She likes to skate, play tennis, baseball and basketball.

THE JUNE ISSUE of the BRIDGE will be the Filene Memorial Fund Issue.

By direction of the National Board this issue will be devoted, first to some biographical material having to do with Mr. Filene, the extraordinary life he lived and his vast contribution to the credit union movement in America.

Second, we shall be concerned in it with Mr. Filene's other activities and the purposes of the various funds which he created.

Third, we shall hope to present the practical plans which, when carried through to completion, will produce, as a lasting memorial to Mr. Filene—Filene House.

There are various reasons why the National Board, enthusiastically and unanimously, decided to build a Filene Memorial and to have it take the form of a permanent home for the Credit Union National Association.

To begin with, there is a realization within the credit union movement of the debt of gratitude we owe to Mr. Filene. The credit union, which he made possible, is today bringing an expanding service to close to five million people. Nothing could be more normal than our determination to mark in some fitting way our profound love and respect for our Founder.

Further, those of us who knew Mr. Filene intimately appreciate that he would not be content with a memorial which had no utilitarian value. Mr. Filene, were he here to advise with us, would probably deprecate



In June THE FILENE MEMORIAL FUND ISSUE

any memorial at all. Most certainly he would desire that the memorial be built and dedicated to the expanding service of the credit union movement.

What will Filene House be? It will be the Heart of the credit union movement, not only in America, but in the world. From Filene House will go out the influences which will build the credit union in ever expanding usefulness to the people of the United States who Mr. Filene served so well. Here our National Board will meet; here will be housed the CUNA Mutual Society, the CUNA Supply Cooperative and the BRIDGE. At Filene House the common business of eventually seventy-five thousand credit unions with eighty million members will be directed. This building will be, almost from the day of its dedication, one of the most important buildings in the world, because of the service to the masses of the people which will there generate.

Moreover, it will be *your* building. It will belong to *you* because *you* are going to build it. It will symbolize

your faith in the credit union movement and your love and gratitude to Mr. Filene.

Can we build it? That will be for *you* to answer. In the June BRIDGE we shall hope to have the plan of procedure. Our fondest hope is to have the building ready for dedication at the 1940 meeting of the National Board. We number well over two million people; we are organized efficiently for action—in forty-four state leagues, in over

three hundred chapters, in sixty-eight hundred credit unions. We have our own magazine which reaches 115,000 subscribers. We certainly *are* ready for action! And this will be the first time that the credit union member, *as an individual*, has been given the opportunity to prove his individual generosity by making a personal gift to his own organization—to CUNA.

We hope to raise a quarter of a million dollars—an average contribution of a dollar each from at least 12½% of our membership. We shall not build until we have all the money we need. There will be no mortgages or indirect obligations on Filene House. It will be a gift—free and clear and gladly given! There will be a Hall of Donors and, on the walls of this great auditorium, will be inscribed in some appropriate manner the name of every contributor who gives at least a dollar. There will be many larger gifts.

Primarily this is the job of the credit union membership.

And we shall, joyfully, build Filene House! Watch for the June BRIDGE!

THE BRIDGE

Continues
UPWARD and
ONWARD in

1938

200,000

175,000

150,000

125,000

100,000

75,000

50,000

25,000